

# COLLECTING BY LETTER

## VOL. 2

BY W. A. SHRYER

WITH THE ASSISTANCE OF 3500 EXPERTS

For the Retailer, For the Wholesaler,  
For the Installment House, For the Doctor,  
For the Banker, For the Real Estate Man,  
For the Lawyer, For the Collecting Agency.

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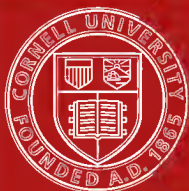
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# Collecting By Letter

Volume II

By William A. Shryer

With the Assistance of 3500 Experts

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## Chapter I.

### Classifying Debtors.

The best results, in collecting accounts, come to the man who is able to classify his debtors. It is not enough to look on customers or debtors as simply honest or dishonest, although even that classification would assist some merchants, who invariably consider every debtor who fails to pay promptly as a "dead beat."

As a general classification it is not illogical to make the division just mentioned, although there is a third category considered by many as a distinct class, namely the "tricky" debtor. It is the best plan for the average merchant or business man to attempt collecting from neither the dishonest nor tricky class. Should he be able to decide that he has, unfortunately, advanced credit to either a dishonest or tricky customer his best line of procedure is to refuse such a man any further credit, at the same time enlisting the services of a skilled agent to preserve his best interests at once.

Concerning himself solely with the man against whom there is no evidence of dishonesty, a sufficient problem confronts the average business man. Granting a certain number of delinquent debtors are honest, each one will fall into a distinct class. The following classification will be found to cover almost any case:

- 1st. Prompt Debtors.
- 2nd. Slow Debtors.
- 3rd. Careless Debtors.
- 4th. Indifferent Debtors.
- 5th. Irresponsible Debtors.

In securing payment from debtors in either of the above five classes different methods of procedure secure better results than applying the same remedy to each and every case. As soon as the bill of any debtor indicates the need for action, decide for yourself in what category he should be placed. By doing this, invariably, a great deal of time is saved, and a much better chance of recovery assured.

In order to secure results from collection letters you should be fully convinced of the exact nature of the appeal you intend to make in each individual case. Each appeal must be directed through some prevailing human motive, and as soon as you thoroughly grasp this principle it is easy to draft for yourself a series of general letters to fit each class of debtors, and by varying the appeals secure the most profitable percentage of returns.

After classifying a debtor you have next to decide the most vulnerable line of attack. To do this successfully it is necessary to know something about each individual debtor. This kind of knowledge becomes invaluable in deciding through which possible motive you will attempt to arouse him to desirable action, which is payment.

The direction of every collection appeal is through some emotion. There are great varieties of human emotions, as every one knows, but there are comparatively few through which profitable collection appeals may be made. Out of the several hundred possible emotions the collection man has to concern himself with the following most frequently:

1. Good will.
2. Pride.
3. Shame.
4. Honesty.
5. Acquisitiveness.

6. Saving.
7. Fear.
8. Curiosity.

Each of these motives are strong incentives to all human action. Two of the above are included solely on account of the strength of any appeal that may be made through them, and not because they especially adapt themselves to collection procedure. These two are the motives of acquisitiveness and saving. In the following series of letters several forms are given under each of these heads, as any appeal that may be made to conform with such strong human motives as one to be employed if possible.

There are any number of strong human motives, to attempt appealing through which is hardly feasible. Among these might be mentioned vanity, cupidity and ambition. There is so little opportunity for their logical employment in a collection appeal as to make an attempt to utilize them both unwise and unfeasible. The same might be said of several other strong motives such as caution, hope or loyalty.

In choosing eight vital collection appeals the problem narrows itself to a selection of the proper appeal for each individual case. This is much easier and more profitable than simply shooting any kind of a letter to any kind of a debtor, which is the policy pursued by many. Where it seems impossible to decide the best class of appeal to employ, it is always safe to draft a series of four letters that will contain the four most likely appeals for any particular case.

In the series of letters that follow a number of model letters are given under each head. In most of the series each letter is a little more forceful and insistent than the one preceding, but it has not been the purpose to write a set series in any case, as there are few

debtors to whom it would pay to send so many letters in the first place, and on whom a change of appeal would not be stimulating in the second.

The object of the letters is to suggest to every wide awake business man the profitable nature of a correct conception of his problem, which is that of classifying his debtors first, and second appealing to each through the most likely channel.

Following the eight series of letters, appealing through special motives, a number of special series will be found. These special series, it will be discovered, fill the needs of almost any business house, as typical collection problems are covered by each special series.

## Chapter II.

### Appeals Through Good Will.

The most simple appeal, and the most diplomatic, is that which assumes unquestioned good will toward you by the customer. Such an appeal gives slight excuse for annoyance to even the most touchy, and it can be used with safety on good customers, as well as on those whose exact status you have been unable to determine.

It is always wise to start any series of collection appeals with such a letter, for in many cases it arouses a tendency to respond in even the obdurate cases. Such letters are not designed to arouse any emotion, so much as to appeal through an attitude of mind that it is assumed your debtor holds in regard to you. It is always a safe appeal.

The appeal through good will should always be short and should never give any impression that there exists the slightest doubt in your mind but that it will meet with the instant response of the customer.

The following six letters will suggest the proper tone to give such appeals. They may be used as they stand, or from them an appropriate letter to meet any individual case may be easily designed.

Dear Sir:—

You must have allowed our little bill of \$36 to slip your memory. It was due almost a month ago.

We know that you will repair this slight oversight, and extend our thanks in advance for your prompt remittance.

Yours respectfully,

Dear Sir:—

You will note from the enclosed statement that you have overlooked your May bill.

We rely on the good will of our customers to repair these little oversights on being reminded of them, and will look forward to your prompt remittance.

Yours respectfully,

Dear Sir:—

Relying on the good faith of our customers, we never allow ourselves to become uneasy when some of them forget prompt remittances of current bills.

This reminder of your account of \$36 being slightly past due will, we know, prompt a quick remittance from you.

Yours respectfully,

Dear Sir:—

Giving every thought to increasing our scope of service in accommodating our customers, we sometimes neglect following up slight delinquencies as urgently as perhaps we should.

We are relying on your good will to make necessary as few reminders as you can.

A check for your April account of \$64.75 will therefore be appreciated.

Yours respectfully,

Dear Sir:—

Prompt payments help us in giving the highest measure of practical service to our customers.

We feel that we can rely on you to assist us in maintaining this standard, and your prompt attention to the enclosed statement for \$98 will therefore be appreciated.

Yours respectfully,

Dear Sir:—

We are glad to accommodate every friend of this establishment, and wish to feel that every customer reciprocates this desire.

A payment of your slightly past due account of \$76 will be a direct evidence of good will on your part that will be most welcome, and we thank you in advance for the prompt response we know this reminder will occasion.

Yours respectfully,

## Chapter III.

### Appeals Through Pride.

To the student of human nature there are three motives that are conceded to be the most important spurs to human action. These three are Pride, Acquisitiveness and Jealousy. Of the three, the last, strong as it is, can not be utilized by the collection man. The second may be given a place in collection appeals, as we will illustrate in a later chapter. The first, that of Pride, is doubtless the strongest motive in all human action, and its use in securing favorable action on debtors is by far the most profitable and productive.

Pride embraces a wide scope of action. The desire to appear in a favorable light among his fellows is a reflection of pride. The desire for advancement is due to the same motive. The desire to "get on in the world" is due to pride, that others may see and acknowledge your worthiness and ability. No man is entirely lacking in pride, and any appeal through it is more potent than almost any other.

Strong and effective appeals may be made through it to the man whose past reputation reflects no fall from an enviable position, and to the man less fortunate it has a strong effect in pointing the way to regain that which he has in some measure lost.

In any series of letters to debtors two communications reflecting various phases of this appeal may be found desirable. In some cases letters appealing through shame are simply for the purpose of reaching

his sense of pride through shame, and for all practical purposes letters under either head may be considered properly classified as appeals through pride.

On account of its importance more letters are given reflecting various appeals through pride than through any other emotion. As in each of the series herein given, the letters are for the purpose of suggesting other communications, rather than with the idea of having each letter used as a set form. By understanding the probable attitude of your debtor, the letter most likely to appeal to his individual case may be chosen.

Dear Sir:—

There is a little obligation from you to us, the size of which doubtless convicts you of nothing worse than carelessness. The amount of the bill, \$24.80, is sufficient evidence that you must have simply overlooked it.

The excellent condition of your previous accounts with us indicates your pride in being prompt. Your early reply with check will make any explanation unnecessary, as it will confirm our estimate as to the character of your credit standing.

We feel assured that you will appreciate our bringing the matter to your attention.

Yours respectfully,

Dear Sir:—

A small balance of \$56.20 against you appears to have been overlooked by either you or us, as it has been standing some little time. As the size of the account is one not likely to inconvenience you when brought to your attention, we assume its non-payment must be due to some oversight on our part, rather than one on yours.

The present reminder will doubtless bring the entire matter to your recollection, and your prompt remittance justify our confidence in your desire to allow nothing to stand against you. Every evidence points to the high regard in which you hold your credit standing, and it is with confidence that we expect your early reply.

Yours respectfully,



Dear Sir:—

The excellence of your previous record for prompt payment occasions this special letter to ascertain whether there can have been any fault on our part in failing to send you a statement of your slightly past due account of \$62.35.

Taking pride in the exceptional character of our customers, we assume that the same feeling is reflected by your desire to justify that confidence in you. That an account should have fallen behind in even the slightest degree is occasion for regret, and doubly so in your particular case, whose previous promptness has been so marked.

That you may be relieved of the embarrassment any such delinquency must cause you, please mail us a check by return post, which will greatly oblige.

Yours respectfully,

Dear Sir:—

Your account with us of \$22.40 appears to have been sadly neglected by you. Knowing your spirit of pride in such matters we can not assign an adequate reason for your tardiness.

Should any unforeseen demand have prevented your prompt payment at maturity, our confidence in your unquestioned integrity should have prompted an explanation from you. In the absence of any word from you we have felt no uneasiness, but consider that you should immediately justify that confidence by a remittance now.

Your reputation for promptness is one that concerns you most closely, and in maintaining that asset our reminder will doubtless be viewed in its proper light by you.

Yours respectfully,

Dear Sir:—

Your bill of \$48.00 should have been paid some time ago. As there is no question as to your willingness to pay it, your pride alone should urge you to make a more determined effort to close it up. To one jealous of preserving an unstained record for promptness and honorable dealings, your procrastination in this instance is exceedingly unwise.

Once prompt—always prompt, is a reputation for which any man may well be proud, and it is

our desire to help you foster this ideal rather than take steps likely to mar it for you.

Should you experience the slightest difficulty in sending a check for the entire amount, mail us a check for \$25.00 by return mail and the balance of \$23.00 may be sent us the first of next month with no thought of tardiness on your part. We will expect your immediate compliance with this suggestion.

Yours respectfully,

Dear Sir:—

No man who merits the good opinion of his neighbors and associates can afford to be constantly reminded of such a small bill as that you have been neglecting with us. By mailing a check for this amount, which is only \$42.00, you will be saved the annoyance of calls from our collector, who is bound to understand your feeling of pride less than we ourselves appreciate.

We want you to avoid any injustice to yourself or your family by a prompt manifestation of the real attitude we know you possess. Kindly consider the leniency with which we have accorded your tardiness up to this time and make any repetition of such reminders as the present unnecessary. Your reply by return mail will be confidently expected.

Yours respectfully,

Dear Sir:—

Any further neglect of our bill of \$43.00 is bound to be costly in your own loss of self-respect. The sum involved is small, but the principle at stake is one of serious import to you.

It is impossible to confine the knowledge of delinquent indebtedness in the face of continued neglect. You owe it to yourself to allow no further delay. A moment's thought will convince you of the immediate necessity of prompt payment, which we will expect to receive from you tomorrow.

Yours respectfully,

Dear Sir:—

Your bill of \$42.00 must be paid at once.

In the absence of remittance by Wednesday we

will be forced to give the account to a professional collector.

No one with either self-respect or pride can relish any such proceeding. Your standing among those whose high regard you value immediately drops. You should never allow any such step to be taken, as the speed with which your neighbors and friends learn of it is almost phenomenal. We know you are too proud to allow such a thing to happen.

Our own leniency has been great and our patience has been exhausted. We will expect you to make good by Wednesday.

Yours respectfully,

Dear Sir:—

You can't enjoy calls from a collection agency.

You can't feel any pride in being classed among the undesirables.

You can't afford to lose the high degree of self-respect that a clean slate gives any man.

Your reputation is entirely too good to risk a stain that now threatens it, through rank carelessness and neglect on your part.

Your bill of \$28.00 is due, and long past due. These facts may remain confidential between us two if you pay the bill by Thursday. If it is not paid by then the loss of standing you are bound to suffer will be chargeable to you alone.

Don't neglect this a single minute, but mail us a check, NOW.

Yours respectfully,

Dear Sir:—

Your neglected account of \$62 was placed on the desk of the writer this morning, together with the record of your original request for credit. On the latter appear the names of a number of your friends and sponsors, whose excellent reports gave us every confidence in your credit standing and ability to pay every account promptly.

There must have been some change in your circumstances, of which we have not been advised. If we can not learn from you why you are neglecting this small bill, it is logical to suppose that your friends may be better advised. We do not wish you to force an investigation through such embarrassing channels, nor can we understand a

position on your part that could permit such a step.

Please consider our position in such a predicament, and make unnecessary any steps likely to injure your standing or self-respect in any degree. Your immediate remittance will be expected.

Yours respectfully,

Dear Sir:—

The neglect of any bill has become a serious matter in present day business. Your neglect of our account of \$83.00 merits a suggestion from us that will doubtless be appreciated.

All of our first class business houses belong to a protective association, the rules of which place us in a very embarrassing position regarding your delinquency. We know that a report to this Association is a step you would take every precaution to avoid, as such a humiliating record would be intolerable to a man of your character.

The nature of our obligation to this Association forces this report from us as soon as an account reaches a certain age on our books. In the event of any delay on your part, after October 31st, we have no choice whatever, much as we would prefer it to be otherwise in your particular case. A reasonable payment from you, should you find it impossible to pay the whole bill, will relieve both you and us. We feel that you will appreciate the motive that has prompted this information and we rely on your immediate cooperation.

Yours respectfully,

## Chapter IV.

### Appeals Through Shame.

All appeals to debtors through a sense of shame must have as their ultimate object the idea of arousing pride through a consciousness of shame. Little positive good comes from arousing shame alone. It is the inherent ambition of pride that is to be reached through such a method.

A reflection of this idea will be shown in the five letters that follow. These letters might almost as well have been included under the previous chapter heading, but being slightly different in tone are given a separate treatment that a full understanding of the difference in object may be perfectly clear.

Many a man neglects his credit through simple carelessness. By arousing him to a proper sense of shame in having done so, his pride will assert itself and occasion action. It does no good to shame a debtor, unless the reaction is bound to be of a nature to stimulate his pride. Many letter writers do not appreciate this distinction, and write scathing letters intended to arouse shame in a debtor, and instead arouse simply anger and resentment. As pointed out in the chapter on Emotions the least profitable appeal of any is that through anger. It should be avoided always. It should also be a set rule to avoid any possible resentment, as no favorable action can be secured until this feeling is removed. It is much easier to cause it than remove it.

Dear Sir:—

Has it occurred to you that in neglecting payment of our account of \$56.00 you are encouraging a practice that will sooner or later cause you, and especially your family, considerable shame.

It is not pleasant to be known as an habitual borrower, though in paying for such accommodations, there need be no real occasion for shame. In your case, however, you are using our money, and paying for it only in a loss of self-respect. We have not charged any interest against your account, as we do that only when it becomes necessary to send it to a professional collector. You should not allow this state of affairs to continue.

Since you would hesitate to treat a friend as you have treated us your sense of the fitness of things should urge an immediate recognition of your real position in this matter. Kindly terminate it by an immediate payment. We are quite willing to forego payment of interest, if paid by the 25th.

Yours respectfully,

Dear Sir:—

It is worth a sacrifice to feel "I don't owe a cent."

It is not worth the shame it must cause you in neglecting our account of \$22.50.

A reputation for being always behind is bad enough for a man, but think with what shame your wife sees the notices of our neglected bill. At the risk of losing your good will we call this to your attention. As it is we are losing your wife's trade as long as you fail to pay us, for she must be feeling your neglect more keenly than you appreciate.

A check for this small amount will relieve all of us from an embarrassment you are thoughtlessly causing. Please mail it today.

Yours respectfully,

Dear Sir:—

We have felt that your affairs have been somewhat pressing, since you have seen fit to allow our small bill of \$28.00 to remain neglected for such an inexcusable period. Since our accommodations to you deserve a greater degree of consid-

eration than you have accorded them we would like to have you advise us at once the real cause of your delinquency.

You are aware that this bill must be paid. To the ordinary debtor suffering from a temporary embarrassment we would suggest an arrangement to pay \$1.00 a week. If your sense of shame prevents any such arrangement, it is hardly an excuse for keeping us waiting for the entire amount. If you find it difficult to raise the entire sum this week, and are ashamed to place yourself in the \$1.00 a week class, you can at least pay something, or give us the real reason for any longer delay. Please do one or the other before Saturday, as it will greatly oblige.

Yours respectfully,

Dear Sir:—

Your bill of \$39.50 has been sadly neglected.

Our several reminders have been consistently ignored by you.

Our constant efforts to serve and accommodate have been entirely forgotten by you.

Such a condition must have its explanation in facts you alone can explain, and we ask you to do so.

The goods purchased by you have been paid for by us months ago, and it is our money you are using as long as you neglect their payment. We might well have insisted on your payment several weeks ago, but we felt that you would repay our leniency much sooner. We are interested in selling you goods, and are glad to serve you in any legitimate business way, but it is quite without the province of our line to help support your family, and that is what you are practically asking us to do, by neglecting to pay a bill so long past due.

Please set yourself right, with both yourself and us, by forwarding your long delayed check immediately.

Yours respectfully,

Dear Sir:—

In looking over the short history of your past due account of \$49.00 a condition presents itself that can not have appealed to you in its full significance.

Your account was due Feb. 28th.

March 1st you promised to pay March 10th (but no payment).

March 30th you promised to pay by April 5th (but no payment).

April 25th you promised payment May 1st (but no payment).

This is May the 10th and you have yet to fulfill any one of three distinct promises. Presented from this angle, aren't you just a little ashamed? May we not expect a full payment from you by the fifteenth, instead of a promise? Such a course will go a long way toward righting yourself, and you will have to admit that there is a need for it. We will expect the check, as much for your sake as for ours.

Yours respectfully,



## Chapter V.

### Appeals Through Honesty.

Pride is the cause of more honesty than the clerics would have us believe. After a man's reputation becomes effectually blasted it is no small task to remain honest. Even the man with no real honesty of heart or conscience will pay his debts and act in a thoroughly respectable fashion, simply to *appear* honest. The respect of his fellow men depends on their belief in his honesty.

No man likes to be considered anything but honest. Appeals through this tendency are always strong. By assuming to the debtor that you have every confidence in this quality in him his pride usually impels a demonstration of his good faith, that he may justify himself to you. It never pays to say to a man that you believe him dishonest. It pays better to emphasize your assumption that he *is* honest, and that every sacrifice should be made by him to escape the appearance of any other quality.

The appeal through honesty is strong, and nine letters are given below appealing through this motive. There are hundreds of ways to arouse the same result. The points given in each letter may be utilized in composing a strong appeal along these lines that will fit any particular case.

Dear Sir:—

Strict honesty means owing no man a cent.

We have every confidence in your good faith, but a demonstration of it is a proof that affects you closely.

Having trusted you without question you owe it to yourself to justify this confidence. Please mail us a check for \$14.80 today.

Yours respectfully,

Dear Sir:—

We have carried your account for several months, relying on your honesty of intention. In the absence of payment we will have strong grounds for doubting your perfect good faith, and the loss of this feeling should be worth much more to you than \$24.00, the amount you owe.

Some evidence of your good faith should be forthcoming immediately. We think a little consideration will convince you of this.

Yours respectfully,

Dear Sir:—

There are two kinds of honesty:

Honesty of intention,—and—

Honesty of performance.

A practice of the latter makes a profession of the former superfluous.

Please remit.

Yours respectfully,

Dear Sir:—

A reputation for honesty is the most stable asset any man can possess.

You may lose money, real estate or goods, but if you are honest it is easy to get more.

No man can afford to allow neglect or carelessness to cast the slightest reflection on his reputation for honesty. On that reputation you are judged forever.

On that reputation we trusted you for your bill of \$62.00. Any further neglect of it will reflect seriously on your credit standing.

Please consider this and attend to it at once.

Yours respectfully,

Dear Sir:—

Relying on your absolute honesty we extended you a credit for \$43.00. Your neglect of this small bill begins to reflect seriously on your good faith.

Much more than the sum of \$43.00 hinges on the prompt settlement of this account. Your life-long reputation depends on the way you pay such bills.

As you pay, or neglect to pay, you are judged, and one blot on your reputation for honesty is as bad as a hundred. Do not let any further procrastination jeopardize your future credit.

Yours respectfully,

Dear Sir:—

Robbing Peter to pay Paul is a bad business.

The only honest policy is to pay every debt as it becomes due.

If you are using for other purposes the money you should pay on your bill to us, the injustice is one that hurts you as well as us.

If our small bill of \$18.50 is more than you can pay at once, call and tell us so. We will be glad to help you in the matter of payments.

The bill must be paid, and the easiest way, the honest way, is always the best way. Please let us hear from you immediately.

Yours respectfully,

Dear Sir:—

We felt you were strictly honest, or would have failed to trust you to the extent of \$34.00.

Your neglect of it begins to convince us that we may have made a mistake.

You can not afford to let such a suspicion rest against your honesty in this matter, and even at the cost of some real sacrifice you should make a determined effort to clean up this bill immediately. If its size has prevented your paying in all at once, mail half of it today, and the balance in a month's time.

Every delay is to your decided discredit.

Yours respectfully,

Dear Sir:—

Do you think it is fair to us, or that you are honest with yourself, in neglecting to pay our bill of \$29.00?

Do you consider you can afford to allow the matter of a few dollars to reflect so seriously against your reputation for strict honesty?

You secured our goods on a definite understanding that you would pay for them in thirty days. You have now allowed the bill to run three months. It is high time that you protected

yourself, as the greatest loss through any further delay is one that hurts you, and will continue to hurt you, and you more than us.

You should justify our confidence in your honesty by an immediate payment. Let us receive it by return mail.

Yours respectfully,

Dear Sir:—

Your bill of \$32.00 is rapidly becoming a reflection on your honesty.

We dislike to speak so frankly, but the conditions warrant an outspoken opinion of your neglect.

We don't think you have considered this matter in its true light, as otherwise there would be no occasion to remind you of such a breach of good faith.

Please make any further reminders of a similar character unnecessary, by promptly remitting for this past due obligation.

Yours respectfully,

## Chapter VI.

### Appeals Through Acquisitiveness.

As mentioned in several of the preceding chapters, the motive of acquisitiveness is one of the strongest prevailing human motives. The desire to *possess*, the pride of *ownership*, the accumulation of property are the strongest motives that impel a large portion of human beings. An appeal through acquisitiveness is recognized as one of the strongest as a selling force, and any adaptation of this strong motive in securing action from a debtor is worth trying wherever possible.

The appeal through this motive is far from an ideal appeal, and for that reason is not to be attempted except as a possible medium for action in certain cases. The appeal is one not often made, most likely because its strength is not appreciated. On account of its unusual character it may be found particularly forceful in special cases.

Dear Sir:—

It can not be possible that you look forward to spending the rest of your days in living from hand to mouth. Neglect of your honest debts means just that.

A man who owes money never gets anywhere. Until you pay for what you have received there is no chance to own a thing worth while.

You certainly want to possess your share of the good things of life, don't you? There is only one stable foundation—a reputation for paying as you go.

Make a right start, NOW, paying our bill of \$24.00 before it becomes a day older.

Yours respectfully,

Dear Sir:—

With debts hanging over your head you banish all hope of possessing anything worth while. Even our little bill of \$32.00 may prevent you from making a start. Such a small bill is a thing you should never allow to stand between you and, possibly, the possession of a real home.

There is no pleasure in the temporary possession of goods not really your own. Until you pay for them there is small measure of satisfaction in them. Make a real effort and get this little account off your mind. Start Saturday. There can be no better time than now.

Yours respectfully,

Dear Sir:—

To secure the possession of something you have long wanted, only to be conscious that you owe its value to someone else, takes away every pleasure of ownership.

You want to feel free to own what you want, and possess what you need. There is only one way to enjoy any possession, and that is to feel that it has been honestly paid for.

Our little bill of \$28.00 is a drag on you, whether you realize it in that light or not. The older you let it become the worse it gets. We are entitled to our money, and you are entitled to the satisfaction that its payment will afford you the minute it is paid. This is good business and hard common sense. Just think it over for a day and come in tomorrow with a payment.

Yours respectfully,

Dear Sir:—

You **SIMPLY CAN'T** get ahead as long as you owe money.

This is a business law.

Being a law it applies to everybody, and neither of us can change it.

You certainly want to get ahead,—be something,—own something.

There is only one way you can do it. Pay what you owe, and pay it promptly. Our bill is \$64.00 and should be paid at once. The point is clear and we trust you will apply it.

Yours respectfully,

Dear Sir:—

In spite of the age of your account we dislike to think that any real error could have been made in originally extending you credit.

Our bill of \$26.50 is an obligation that may stand between you and something you greatly desire, at any time. Its very existence is bound to prevent the healthy enjoyment of many a possession you want and need. Why not get this bill out of the road, that the memory of it may no longer serve to convict you of shiftlessness. For that is exactly what it is bound to do. Start paying it this week. It is bound to pay you as well as us.

Yours truly,

Dear Sir:—

An old bill is the worst kind of a ghost. It is likely to haunt you at the most embarrassing time.

As long as you neglect it there is small chance of feeling justified in buying any of the hundreds of things you would like to have and enjoy. A little determined effort will serve to clean up your little bill here and give you a real feeling of justification in getting many little things your family would enjoy. The man who pays up an old bill has justified his ability, but as long as you do nothing toward paying it you confess to yourself a great weakness.

Let us help you clean the slate. A little every week will be a great help, so why not start this week?

Yours truly,

Dear Sir:—

Through our Merchants Protective Association every firm in town knows exactly to what extent you are entitled to consideration and help. The time is fast approaching when a report must be made of your credit standing with us.

A determined showing by you may be worth much more to you than the slight sacrifice necessary to pay us now. The time may come very soon when you will want or need the credit favors of other merchants, and you will be judged by your past performances. That there may be no embarrassment on this score later you should

make every effort to pay your account before there is any chance to be considered other than the most desirable credit customer.

By making a substantial payment this week you may preserve an unstained record, that will be very valuable later.

Yours truly,

Dear Sir:—

It is impossible to enjoy the little luxuries that make life worth while, as long as a bad debt hangs over your head. Your account with us will soon become a nightmare to you, unless something is done about it. There is only one thing to do, and that is pay it. It should be paid at once. Will you not make a determined effort to do it?

Yours truly,



## Chapter VII.

### Appeals Through Saving.

The motive that impels the making or saving of money is a decidedly strong one. It is probably one of the strongest appeals in selling goods. On account of its universal possession it would prove a strong appeal in collecting, were it more adaptable. On account of its strength as a motive it is well not to overlook employing it wherever possible. It may be used profitably in but few cases, however.

Its only adaptibility is through discounts and inducements, although it may be utilized to a degree in pointing out the necessity of saving costs through legal actions and similar expenses of collection. The latter points are covered in a later chapter. The five letters that follow suggest appeals through this motive in the matter of discounts. The instalment house utilizes this motive in offering certain inducements from time to time, such as a certain book for prompt payment before all instalments become due. Wherever full performance of a contract has been made, however, it is a sign of weakness to offer inducements. It is not wise, for instance, to offer as a last resort any certain percent of the bill, such as the commission you would have to pay any agent to collect. Some make this mistake and offer a discount of from 10% to 25% for prompt settlement.

Dear Sir:—

You probably overlooked the fact that our bill of \$122.00 matured five days ago, at which time our regular 3% discount ceased to operate.

To extend the regular discount longer would be a discrimination to the detriment of other customers, but as an inducement for prompt payment by the tenth of this month we will extend a discount of 2%.

We know you will appreciate this saving, as well as fully understand the spirit in which it is offered.

A new line of exquisite embroideries has just arrived. Bring in your check, rather than mail it, that you may have a chance to look over these exceptional bargains at the same time.

Yours respectfully,

Dear Sir:—

Our 2% discount day on your bill of \$223.00 fell on May tenth.

This account being your first suggests that you may have misunderstood our discount terms, especially as you were careful to advise us of your custom of discounting all bills.

Feeling that you would not like to miss this discount we are writing to give you an extension at the regular discount until May the thirtieth. This will give you five days to save \$4.46, which we know you will be glad to save.

Yours respectfully,

Dear Sir:—

Some oversight must have occasioned your losing sight of a saving of \$7.00, as you failed to discount your bill of \$350.00 last month. The account now being due, without discount, we are writing to remind you of it, and at the same time give you a chance to save 1%.

Payment before the tenth of this month will entitle you to a discount of 1%, which we feel sure you will be glad to save.

Yours respectfully,

Dear Sir:—

Reports of good business from your section assure us that nothing but forgetfulness adequately explains your failure to take advantage of our discount on your bill of \$432.00. Nor do we want to see you lose \$8.64.

By remitting before the 30th you may still be entitled to the 2%, as we discover that a few thousand dollars will make our month's showing a better one than this time last year. We are straining "to beat the record," and have chosen several of our best customers to jointly benefit with us in attaining the necessary volume. You are one of five so favored. As we know each will gladly respond, both for the saving and on our account, you may congratulate us with your remittance, as we know we are going to break the record.

Yours sincerely,

Dear Sir:—

You probably passed the discount date on your bill of \$746.00, feeling that it might be more convenient to await your own collections due around the tenth.

If it will be any accommodation to you, we are quite willing to extend the 2% discount until the 25th, and if you find it is more convenient to let part of the bill wait until the first, you may take 2% on that portion of the bill ~~and~~ and it possible to remit now.

Yours respectfully,

## Chapter VIII.

### Appeals Through Fear.

The one appeal, less intelligently employed than any other, is that of arousing fear of possible consequences. There is hardly a question about its strength in certain cases, but it should always be the very last appeal to make. The average collection letter appealing through fear relies on a threat of legal process to secure its result. The fear of a law suit is not restricted to any class. The ignorant and the wise are alike fearful of possible consequences. The ignorant man is afraid of the law because he has no adequate idea of just what it may do to him. The informed man is afraid of it because he knows only too well what it *may* do to him. The fear of both is well justified, for it is a costly and annoying business for either side.

As a matter of general policy the business man should use letters appealing through this emotion as little as possible. There is always a resentment against him in the mind of the customer, and there is always a chance of lowering the prestige of an establishment by making threats of suit it has no real intention of following to their logical conclusion. More than one letter of such a character should never be used in writing to a single debtor, and that letter should be the last before turning the claim to some agent for the proper skilled attention.

The most dignified method of handling a debtor who really deserves a letter threatening suit, is through the

process of mail collection through the miniature collection agency idea. This process will be described later in detail. With such an office machinery a letter such as the following is indicated:

Dear Sir:—

Unless your bill is paid here by noon of Friday the 20th, your account will be placed in the hands of our professional collector. Please do not force this step on us, as it is bound to mean embarrassment to you, and possibly additional cost.

Yours respectfully,

By changing the account, on the day time is up, from your regular customers' file to that of your "collection agency" file, a collection agency letter may go to the debtor on the exact day. He will then begin to think you mean business, and any letters sent on such stationery thereafter will be more likely to occasion no actual resentment against you. A collector who knows his business can force a delinquent to pay, and still hold his business for the client, should the latter really desire it. By making the threat of suit yourself this result is not quite so likely to follow.

To those who desire suggestions for appeals through fear the following six are given:

Dear Sir:—

Your indifference to our account of \$87.00 makes it necessary to hand it to our attorney for immediate legal action.

The disgrace of being summoned to court should prompt your taking immediate steps to prevent such an embarrassment for yourself and family.

We would willingly save you the added cost involved through such a step, and urge an immediate payment, that it may be avoided.

Yours respectfully,

Dear Sir:—

Unless you make a payment at once our attorney will be instructed to place our account against you in judgment.

A judgment is bound to be a costly and serious matter for you.

Aside from the time necessary to appear in court, the costs of the action will have to be paid eventually by you. The judgment, moreover, draws the regular legal interest, which will have to be settled by you. This judgment will hold good for years, and indefinitely by renewal, and the longer it runs the more it will cost you in actual cash. It is a certainty that during the life of the judgment you will possess enough to warrant the issuance of an execution, which will mean extra costs.

It will surely be wise for you to make a settlement now, before it is too late.

Yours respectfully,

Dear Sir:—

Our attorney has been instructed to request the court to issue a summons against you, unless payment of your bill of \$102.00 is not settled with us before Wednesday.

As there is not the slightest defense you can plead to this action a judgment against you is inevitable.

Following the judgment an execution may issue or a garnishment be served at any time. In either event extra costs, above the expense of the judgment, will accrue, all of which must be paid before the judgment can be satisfied.

Such a judgment hanging over you becomes a matter of public record, the effect of which is likely to cost much more than the actual sum involved. You certainly can afford to make any sacrifice to prevent such a result. By calling immediately you can arrange a settlement that will obviate any drastic measures on our part.

Yours respectfully,

Dear Sir:—

To protect ourselves against your neglect it will be necessary to have our attorney place your account of \$74 in judgment, unless it is paid by the 25th.

A judgment is a matter of public record, and a hard thing to explain to those interested in your credit standing.

The costs of legal process follow the judgment, and will have to be paid by you.

Yours respectfully,

Dear Sir:—

Your bill with us is \$59.85. It is long past due.

You have made no effort to comply with our requests for payment.

It is possible that you feel warranted in treating us with contempt, because of a belief that a judgment may not be collectible at the present time.

In this you may be right, but before conceding such a position we give notice that unless immediate settlement is forthcoming every effort will be made to enforce payment as by law authorized.

You will see to it that there is no delay, if you wish to save costs and trouble.

Yours respectfully,

Dear Sir:—

We do not like to sue anybody, but your bill will have to be paid at once, if you do not wish to have a judgment recorded against you.

Before forcing us to this unpleasant step just consider:

A judgment notifies everybody that you are unworthy of credit.

Until it is satisfied it draws interest and every execution adds to the costs of the judgment.

An execution may issue at any time, when an officer of the court is empowered to seize sufficient of your goods to satisfy the writ and all costs.

A garnishment may issue at any time, which ties up any money you may have coming to you, from an employer, a bank, or any other.

Any action predicated on a judgment is costly to you, and may prove exceedingly embarrassing.

Any prudent or cautious man would make extraordinary efforts to prevent such a step being taken as that you are forcing us to take against you. You surely will not neglect this matter. Make it a point to call and arrange settlement immediately. You will find us ready to meet you more than half way.

Yours respectfully,



## Chapter IX.

### Appeals Through Curiosity.

#### *The "Mysterious Japanese Method."*

Among the most compelling of all human motives are those of Curiosity, Secrecy and Mystery. Secrecy and mystery interest and compel action on the part of any normal human being, and his curiosity leads him to almost ridiculous limits in satisfying his desire to unravel a mystery or surprise a secret. As a sales or collection motive the use of any one of the three is usually difficult and as a rule exceedingly questionable.

An instance of their impelling force is illustrated by an experience to be given in this chapter, the outcome of which will suggest two letters reflecting a profitable use of these motives.

In May, 1907, the writer received through the mails an extremely crude circular letter, of the cheapest appearance, with no filling in. It started simply "Gentlemen:—" and was a carbon copy with nothing but a printed signature. Its contents, crudely typewritten, were as follows:

All business men sometimes have trouble in collecting debts. We have made use of the Japanese method for years, and it has never failed. We have now decided to sell the simple formula to American business men.

It saves lawyers' fees.

No dunning. No commission.

It works like magic.

Try it for yourself.

Examine enclosed circular.

Yours truly,

The circular that accompanied this letter was printed in a style that might have been employed with artistic effect during the civil war, certainly not much later. The paper was cheap, and the left hand margin looked as if the sheet had been torn from a book. Every physical aspect of the entire appeal was repelling and suspicious, but the basic appeal of the letter and circular combined was almost irresistible, in spite of the doubt and suspicion aroused by their appearance. The circular is reproduced as nearly as possible on the opposite page.

The appeals through Secrecy, Mystery and Curiosity were most alluring. The last appeal, to that of Money Saving, was the added touch of a master of the simple and direct, but in my particular case helped to increase a definite suspicion aroused by the general appearance of the entire communication. Too wary to "fall" immediately for the \$3.00, the following letter was written a week after the circular matter had been received:

Gentlemen:—

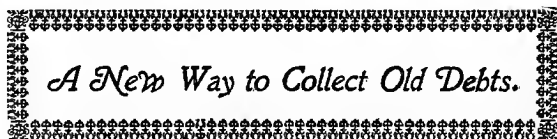
Under date of May 8th you sent our Chicago office literature regarding a publication for the purpose of collecting bad debts. If your proposition is not a joke, we shall be pleased to learn more of it. If it is bona fide, please send a copy of your book by express to this office, to be paid for after inspection. We shall be pleased to hear from you further.

Yours respectfully,

In a few days we received a reply, but it was under one cent postage, and contained nothing but a duplicate of the original circular, carelessly torn on the right margin instead of the left, and marked with red and blue pencil at significant paragraphs.

No feeling of either security or confidence was en-

## For All Business Men.



No Dunning, no Commission, no Lawyer's Fees.

So Simple that a Child can Use it ; so Astonishing that the Sharpest Business Man will be Surprised at its Success.

Its Success is a Mystery, for Stonewall Jackson said,  
*"Mystery is the Secret of Success."*

We have used this Easy, Simple, and Astonishing Method, in our own business for years, and have

### **NEVER KNOWN IT TO FAIL!**

Business men, in all parts of the world, should secure, at once, this Short, Simple, and Successful Way to Collect Debts, New and Old.

It should be employed in every office.

The Price *now* is \$3.00, Cash with Order. In sixty days, it will be raised to \$5.00.

gendered by this treatment, but *curiosity* was certainly stimulated. The appeals through *secrecy* and *mystery* continued their "subconscious urge," notwithstanding the fact that every feeling of judgment protested against taking such a chance to be "stung."

A year later, in going over an accumulation of collection curiosities, the letters and circulars were noticed and read, with a result as strong as the first time, if not stronger. A letter was dictated, on different paper than the original letter of inquiry as follows:

Gentlemen:—

One of your circulars in reference to a system for collecting debts has come into my hands. Kindly advise in reference to particulars and terms.

Yours respectfully,

This letter was promptly answered, but exactly as the previous request had been treated. The reply came under third class postage and was nothing but the same circular as before—and the price was still \$3.00, to be raised in 60 days! This was in June, 1908. The compelling interest through curiosity was still there, but the growing scepticism prevented any purchase.

Four years later, to be exact, November 12, 1912, a search was being made for suitable forms to include in the present volume, and in The American Collection Service "Morgue" I came across the original circular and all of the previous correspondence. The old impelling desire surged up stronger than ever, curiosity got in its deadly work, and on the same day the following letter was written:

Gentlemen:—

We have just come across one of your old circulars of 1907, advertising "A New Way to Collect Old Debts." We should like to know whether you are still selling this material.

Yours respectfully,

The reply was prompt, as on November 15th we received an answer—again under third class postage. It contained the same old circular, somewhat flyspecked and age yellowed, but still the same. “Price *now* is \$3.00, Cash with Order. In sixty days it will be raised to \$5.00.”

Desiring to satisfy my curiosity I sent the money on Friday, November 22nd. A reply should have been received by Monday, the 25th, if orders were filled as promptly as letters of inquiry were answered. No reply came Monday, nor Tuesday, nor Wednesday. On the latter day our bank was notified to stop payment on the check, as by that time we were assured we had been “stung.” The next day was Thanksgiving, but on Friday morning, the 29th, the famous “Japanese Method” arrived. The check arrived at the bank the same day and was ordered cashed. Many a business man might have considered himself ill repaid, possibly, and let the check be sent back, but a long experience convinced me that the material was worth the money. The reason will be given after you have read the “instructions,” which appeared on a single small sheet as follows:

#### A NEW WAY TO COLLECT OLD DEBTS.

Note. The simple form, given below, for Collecting Debts, has never been known to fail, in our experience. We cannot guarantee that it will succeed in every case, because there are exceptions to all rules. Its Simplicity and Mystery go far to make it successful.

Follow the Directions, and you will be astonished at the result.

By this simple method, every Business Man becomes his own Collector and Pays no Fees.

Use your own letter head.

*Address and Date*

Mr. or Messrs.....

Dear Sir, or Gentlemen:\*

Your account, amounting to \$. . . . ., is overdue.

We dislike to employ extreme *measures* unless you compel us to do so; but we must protect our own interests, at any cost.

*Unless the amount due is received by return mail* (or within five or ten days, according to circumstances), *you will hear something* that WILL CAUSE YOU THE GREATEST ASTONISHMENT.

Yours truly,

The complete description of our experience is given as above that the strong impelling motive of curiosity, called forth by the reference to secrecy and mystery, is one to be reckoned with in securing any human action. The outcome of an experience that lasted practically five years was simply a form, which may or may not appeal to many as worth any time, effort or thought. The important thing to consider is the motive.

In this connection it will be recalled that we promised to justify a statement relative to our belief in this form itself. Our confidence in it rests purely on theory, as it was received too late to afford any adequate test, as this book was then being whipped into shape for the printer. Our idea as to its probable value rests on the almost phenomenal success of a letter or form very similar in motive, though much shorter and to the point, as well as differently worded, and, in our personal opinion, better phrased. This letter is the "Amazing letter." An account of the success of the latter was published in Business Service several years ago, and the article as published is reproduced herewith:

"Several years ago a Chicago paper wrote up a little story telling of the marvelous results secured by a green office boy who had been turned loose in the collection 'graveyard' of a law firm for whom he worked. A request for a raise had resulted in a solemn offer by a member of the firm to pay him all he earned in commissions on a mass of old collections that had suffered for years the usual neglect of such establishments.

"The young man got busy, saying nothing but grinding out a mass of work that astounded his employers. In a few days a stream of debtors began to call. Debtors on whom each member of the firm had tried in vain to make an impression for years called in a shamefaced spirit, and what was most remarkable paid money on bills long given up as dead. The energetic letter writer was reaping a material harvest, to such an extent that the members of the firm became curious as to his methods and asked to see copies of the communications that resulted in such unexpected resurrections. This was the letter:

"Dear Sir:—

"Unless you call at this office within forty-eight hours and make material payment on the account of John Doe, some steps may be taken that will amaze you. Yours truly,

"JONES, FLYNCH & JONES."

"After reading the above account I decided there was a mental suggestion in that letter that might be as real on actual debtors, as I felt the story itself was imaginary. I tried it out and used the letter for almost three years thereafter on most stubborn debtors. I got marvelous results, and some very humorous.

One man called at my office just as I was ready to close one Saturday noon and insisted on staying until four that afternoon, as he said he came to 'be amazed' and expected to wait until he had been. My silent contemplation of his volubility evidently even amazed him, for he paid before he went.

"The psychological element in the letter given above is self-apparent. While absolutely nothing is definitely said, a feeling of extreme doubt is raised by it in the minds of certain classes of debtors. The result is to call to see all about it. The same result was effected by the now obsolete 'Subpoena Duces Tecum and Res Adjudicata' letter."

The 'Amazing letter,' as above reproduced, has been used by hundreds of American Collection Service members with remarkable success, and a trial of both of these curiosity appeals may result in astonishing returns for the readers of this book.



## Chapter X.

### Special Feature Letters.

#### *Answers to Tricky Debtors.*

The letters in the preceding chapters will serve to give a definite idea of method in drafting telling appeals through the most prevailing human motives. The mastery of such a method will make of any merchant or credit man a skilled collector by correspondence, but a certain amount of actual practice is necessary, both in classifying the debtors before deciding what kind of appeal to draft, and in actually composing the most effective appeal for each individual case.

The idea conveyed by these letters is one of basic principle rather than one of specific illustration. In the present chapter specific contingencies will be considered, letters dealing with constant factors present in any credit business being covered.

The following letters are classified to meet actual conditions, and each series deals with problems that arise in the every day correspondence of any collection department. They are grouped under appropriate headings, and will be found suitable, as they stand, to use when cases similar to those indicated arise.

Certain special problems continually confront any collection department. Certain conditions due to absolute carelessness on the part of out-of-town debtors, or a fixed determination to mislead, occasion repeated cases of identical character. Each of the following letters deals with a separate typical case.

Failure to endorse:

Dear Sir:—

Your draft for \$234.00 has just been received. You failed to note, however, that the draft was made payable to YOU, or else you simply overlooked endorsing it to us.

As to return the draft for your endorsement would simply waste time for both of us, we are endorsing your name on the back, per ourselves. To avoid any possible confusion over the signature or its validity, you might advise your bank of the circumstances. This will save time for both of us, as well as annoyance for you.

Accept also our thanks for the remittance, a receipt for which we are pleased to send you with this letter.

Yours respectfully,

Missing signatures:

Dear Sir:—

Your check for \$347.50 was received this morning, but through some oversight of your bookkeeper your signature was missing.

To save both of us time and possible annoyance we are simply depositing the check in our regular deposit, with a slip attached notifying your bank that the signature would be taken care of by you on presentation. A short note to your bank, authorizing payment will save any further annoyance.

We thank you for the remittance, and our endorsement on the check will serve as a full receipt for you, or we will send you a duplicate if you desire.

Yours respectfully,

“Not sufficient funds” endorsement:

Dear Sir:—

Our bank has just notified us that they are charging our account with \$212.00, the amount of your check received on the 12th and banked by us in all good faith at that time.

Our first feeling was one of considerable annoyance and regret on learning that you had is-

sued a check without sufficient funds in bank to cover. As we can hardly reconcile our previous good opinion of you with a deliberate action of such bad faith we have concluded that the failure of check to clear must be due to some error on the part of the bank. It is impossible for us to believe that you could willingly allow such a step to be taken, with its far reaching effects on your credit and standing.

Relying on our belief in this deduction we are again depositing the check today, and notifying you that you may make an immediate investigation at your bank and rectify the conditions, whatever they may prove to have been.

Yours respectfully,

(Deposit check one day later).

#### Refusal of C. O. D.'s:

Dear Sir:—

The Adams Express Co. has just sent us a postal advising that the C. O. D. package, shipped at your request on the 9th, has been refused.

We attach the postal and request you to call at the branch office whose address is indicated on the card. Their notice of refusal doubtless arose from some carelessness on the part of a hasty driver, as we are assured you are as anxious to secure the goods as we are to save any additional express charges for you through a possible return of the package. We have notified the Adams that you will call at once and take up the shipment, and that it is to be held for you for five days.

Please do not delay your attention to the matter.

Yours respectfully,

#### Missing draft or check:

Dear Sir:—

We have just received your letter advising that draft for \$39 is being sent with it. No remittance of any kind accompanied the letter. It is very evident that you simply overlooked enclosing the draft, which you will doubtless find on your desk, or among some of your records.

Please make a search for the missing paper and

enclose it in the self-addressed envelope we are sending herewith.

If, by any possible chance, you find no trace of the draft, please procure a duplicate at once from the bank. By explaining the circumstances to them a duplicate will be immediately issued, when they may stop payment on the original, should it fall into any irresponsible hands in the meantime.

Yours respectfully,

Missing remittance:

Dear Sir:—

Your letter advising that you are enclosing \$20.00 has just been received. No remittance of any kind was enclosed, however, which indicates that you must have simply overlooked making the proper enclosure.

As there is small likelihood that a remittance of this size would have been made in currency without registering, we assume that you intended enclosing a check. By consulting your check record you may ascertain whether the check was actually made out. If you find the latter to be the case, and can not find the check among your papers, please make out a duplicate and notify your bank to stop payment on the original.

We are sorry there should be any confusion over this, but are assured that a little search will set you right relative to the missing enclosure.

Yours respectfully,

## Chapter XI.

## Letters to Induce Debtors to Call.

Dear Sir:—

Please make it a point to call here tomorrow that convenient arrangements may be made for taking care of your account, which you have allowed to drag a little behind. We have a plan to submit that allows you to close the balance without undue hardship.

Yours respectfully,

Dear Sir:—

We would like to have a talk with you tomorrow regarding the easy adjustment of your account. Should you find it impossible to call tomorrow be sure to telephone that an appointment for an early conference may be arranged.

Yours respectfully,

Dear Sir:—

Your account is running considerably behind, and we feel that a frank talk between us is bound to develop some feasible method for taking care of it without the slightest hardship for you. You will be expected to comply with this request, and we will look forward to seeing you without fail tomorrow.

Yours respectfully,

Dear Sir:—

Your neglect of our account prompts us to suggest the advisability of a little conference, that some feasible method of settlement may be arranged with every degree of satisfaction to both of us. We think it possible that a plan we have to propose will meet with your instant approval, and will look for you promptly in compliance with this suggestion. Do not fail, as the matter is becoming urgent.

Yours respectfully,

Dear Sir:—

The condition of your account demands an immediate understanding between us. The most satisfactory method of adjusting the matter is a discussion of ways and means together, when we have no doubt a plan may be suggested that will meet with your every requirement, and at the same time permit a speedy liquidation of your balance. We will expect to see you here, therefore, and any time tomorrow or the day after will be convenient to us. Kindly give this your immediate attention and advise us should any unforeseen incident prevent your calling promptly.

Yours respectfully,

## Chapter XII.

## Indefinite Promises.

Dear Sir:—

Your letter relative to your account has been received, in which you acknowledge your obligation, and promise payment.

It has been carefully noted, however, that you set no specific date for your payment, and that your promise relative to settlement is both vague and indefinite.

The goods covered by this bill were secured by you in no such indefinite manner. They were purchased by you on credit, delivered promptly and satisfactorily, with the distinct understanding that they would be paid in 30 days. This you have failed to do. There is no desire on our part to be critical, but you must understand that a business can not be conducted on such indefinite promises as that just received.

We are willing to accept partial payment, but we must be advised just when you will start payments, and how much we may expect each week. Give this your immediate attention.

Yours respectfully,

Dear Sir:—

Your note promising payment is received, but we are at a loss to understand how you can expect us to tell from your letter WHEN you propose to pay, and HOW much.

These are the essential points, and you must advise at once regarding them.

Let us hear from you by return post, setting a date on which we may confidently expect your first payment, and tell us also the very least amount we may expect to receive on that date.

In no other manner can you expect us to allow the bill to run any longer.

Yours respectfully,

Dear Sir:—

We have your letter stating that our bill is perfectly correct and that you hope to pay it. We note with considerable surprise that your nearest approach to a businesslike attitude is a simple acknowledgment of your obligation. There has been no doubt in our minds on this score, and the only point of interest is WHEN will you start your payment, now sadly neglected.

You say you are somewhat pressed for funds, but hope in the future to “pay us for all our trouble.”

The thing to do is set a date for your first instalment, and then to keep that arrangement. Until you are better prepared to make substantial payments we will accept one dollar a week for a few weeks, that some positive indication of your good faith may be forthcoming.

We suggest the following Saturday as a fitting time to start and will expect a payment from you at that time.

Yours respectfully,



## Chapter XIII.

## Letters On Broken Promises.

Dear Sir:—

Your payment, promised for today, must have been forgotten by you. Please repair this oversight by remittance at once.

Yours respectfully,

Dear Sir:—

Your promised payment, due today, was not received.

It is to be hoped that your oversight is due simply to forgetfulness, and not chargeable to any willful neglect.

Please make any further reminders unnecessary by prompt remittance.

Yours respectfully,

Dear Sir:—

Relying on your definite promise to start payment on your long past due account, we hoped that our reminder of your delinquency in this regard would be sufficient.

It is evident that your failure to keep faith with us is due to more than forgetfulness, but it is far from our purpose to make any hasty judgment in the matter until you have been given every chance to make good.

We will expect your delayed installment immediately.

Yours respectfully,

Dear Sir:—

It is a matter of considerable regret that your promise of payment should have misled us in our opinion of your honesty of intention.

Should any unforeseen accident have been the cause of your apparent simple neglect you owe it to us, and yourself, to immediately notify us of it.

It is necessary to convince us of your desire to

keep faith, and moreover that you propose doing so at once.

We will expect to hear from you by the 21st.

Yours respectfully,

Dear Sir:—

Having arranged to make regular weekly payments on your account it is a matter of regret that you have allowed the first date of payment to pass without a remittance.

Having pledged your word, your strict performance is expected.

The date for your second payment will fall due on Saturday next. You will be expected to make a **DOUBLE** payment then. It is necessary that you view this matter in the light of a strict business promise, and one not to be neglected lightly. Any further tendency on your part to neglect these payments will make necessary more drastic measures to insure a quick settlement.

Yours respectfully,

## Chapter XIV.

### Failure to Keep Up Payments.

Dear Sir:—

We wish to call attention to your delinquency in the matter of the balance due on your bill of \$47.50. Inasmuch as you have demonstrated your good faith by making a partial settlement of this account, we naturally wish to accord you every courtesy in reference to the adjustment of the balance, giving you credit for all honesty of purpose, through the disposition shown by you in making a partial payment. We request that you call here at once regarding an adjustment of the balance. If, for any reason, you have found it impossible to keep your promises, you owe it to yourself to call here and make plain said reason. If your delinquency has been due to simple neglect, please rectify the same by making further installment on this account at once. In any event, call here upon receipt of this letter that we may amicably adjust this indebtedness.

Yours respectfully,

Dear Sir:—

We note with surprise that you have overlooked payment on the balance of your account of \$47.50. An examination of our records shows that your payments have not been kept up and that it has been some time since we received your latest payment.

Having acknowledged your indebtedness and shown your good faith as far as your intentions are concerned we cannot understand why you have failed to bring this matter to a close by more regular installments. Considering the possibility of your duty in this regard having been overlooked, we write to bring the matter to your attention.

Desiring to give you the benefit of every doubt we have hesitated to hand this account to an at-

torney, as such a proceeding would simply entail unnecessary costs for you. That we may be assured that we have made no mistake in considering your intention absolutely honest in this matter, you will kindly make it a point to call at this office within the next forty-eight hours and arrange for payment of the delinquent intallments.

Please give this your immediate attention.

Yours respectfully,

Dear Sir:—

We cannot believe that you have forgotten the balance we have for collection against you amounting to \$47.50.

Our records show that not only have you acknowledged the justness of the debt, but have even made payment thereon. We naturally give you credit for honesty of intention in the premises, as otherwise you would not have made any payment. Granting this, we cannot understand why you have not replied to our previous notices, in which we reminded you of your failure to keep up your payments.

If there is any valid reason for your delinquency you should certainly notify us promptly to that effect that we may give you every opportunity to settle the balance without any further cost. According to our books you still owe \$47.50 on this bill. May we not expect the courtesy of your early reply as to just when we may expect further payments? This is not only fair and just, but the only logical action to be expected from you.

We wish to give you every courtesy possible in arranging a satisfactory adjustment of the remainder.

If you cannot pay now, advise us when you will be able to do so. We shall expect a courteous attention to this most reasonable request at once, as we have already given you more than an ample opportunity to demonstrate your willingness to continue your settlement of this just obligation. Let us hear from you immediately.

Yours respectfully,

## Chapter XV.

## Letters to Follow Calls on Debtors.

Dear Sir:—

One of our collectors called regarding your bill of \$47.50. He was unable to secure an interview with you owing to your absence at the time. He advises us, however, that in his opinion you are well able to arrange a settlement of this claim by the payment of regular amounts each week.

We suggest, therefore, that in order to save unnecessary court costs and trouble you call at this office immediately upon receipt of this notice and arrange a settlement of the bill along the lines indicated. By so doing you will be able to justify the confidence reposed in you when the favor was extended, and at the same time adjust the matter at no further expense to yourself. That we may be convinced of your honesty of purpose and of your willingness to pay this debt, we suggest that you give it your immediate attention and call here at once before any further and more drastic measures may be instituted.

Yours respectfully,

Dear Sir:—

One of our collectors called today at your residence regarding your bill of \$47.50. He reports he was unable to interview you at your home and that the occasion did not present itself for his calling upon you at your place of employment, in order to secure a statement of your attitude in regard to this debt. We suggest, therefore, that in order to make it unnecessary for us to issue any process likely to occasion any embarrassment to either yourself or your employer, that you indicate to us your honesty of intention in this matter and at the same time justify the con-

fidence reposed in you by granting you the favor of this credit.

That your silence may not be unfavorably considered as to your intention, call here immediately on receipt of this notice that we may arrange with you for the payment of this bill in regular weekly installments. By so doing you will be able to save yourself additional expense and trouble.

Yours respectfully,

## Chapter XVI.

### Collecting By Draft.

One of the first steps, in the collection of a gilt-edged account against a debtor in another town, is to send a draft. The sending of a draft is a most simple matter, but owing to the conventional method of printing a draft many are deterred from using this profitable form of collection on account of an uncertainty as to properly making out the form.

An explanation of the proper usage and method of filling out will doubtless be a help to a great many, simple as the operation appears to those familiar with its constant use.

All drafts are practically the same, although the information contained on some are printed in different portions of the form than others.

The form given in the instruction of The American Collection Service and the sample reproduced in their sample book is reproduced on the next page, the exact size of real draft, including stub, being  $3\frac{1}{2} \times 9\frac{1}{2}$  :

Blank drafts, such as are purchased in stationery stores, are the same as the above, except that they will not show the source of the draft (as in the sample, that it came from The Shryer Mercantile Agency). Most blanks for drafts also have simply a ruled line, instead of one filled out for the method of payment. On the sample draft the time of payment is stipulated, namely, "At five days sight." Many drafts are made out at three days sight or at any stipulated interval pleasing to those who use them.

In ordinary blank drafts, there is rarely a stub as shown on the sample, but instead a simple perforated margin, with the words, "Do not protest." This notice is for the bank alone, which is supposed to detach before presenting. The notice "Do not protest" prevents the bank from adding costs to presenting a draft, that otherwise would accrue. "Protesting" a draft, or any other instrument, consists in sending by mail or delivering to such of the names that appear on any draft, a formal notice that it has not been honored, which costs from twenty-five cents up for each endorsement on the draft. It is necessary to protest some negotiable papers in certain instances in order to comply with various states' statutes in the event

**Notice.—Do not Protest.**  
 Make all remittances payable to the order of  
**Shryer Mercantile Agency**  
 1100 11th St., New York, N.Y.  
 (Detach before presenting)

**Shryer Mercantile Agency**  
KING BLDG. DETROIT, MICH.

\$ \_\_\_\_\_ 191\_\_

all five days sight pay \_\_\_\_\_

\_\_\_\_\_ Dollars, and change to account of \_\_\_\_\_

To \_\_\_\_\_ }  
 \_\_\_\_\_ }  
 \_\_\_\_\_ }

of suing later on the paper. For all practical purposes ordinary senders of drafts do not wish them protested, and instruct the banks accordingly.

A draft does not necessarily have to be sent for presentation to a bank, but it is naturally the most convenient medium of presentation.

A draft may be sent to an employer, or to anyone likely to be in a position conveniently to collect the sum due you from the debtor. To whomever the draft is sent for the purposes of collection, it should be made payable. That is, on the line after "At sight pay" you



write in the name of the bank to whom it is to be sent, or the name of any other to whom you may send it instead of a bank.

On the date line you should fill in the name of your own town and state, as well as the date. The amount of the draft is filled in on the line preceding the word "Dollars" on the draft, writing the amount out in full on this line, and also filling in the amount in numerals in the corner after the "\$" sign.

In all drafts there are from two to three lines bracketed off following the word "To." The draft is always made out TO the man that owes the money, and the extra lines are for his street address and town and city. In sending a draft to any but a very small town, the very fullest particulars regarding address of debtor should be given. On the sample draft, and on any other, there is always a line for filling in, showing to whom the amount is to be charged. As the draft is presented by the bank to the man who owes the money, the latter must know to whom he should charge the payment, and it is always to his creditor that he charges it, as after paying, it shows as a credit on his creditor's books, but as a CHARGE on his own. Therefore, fill in the line "Charge to the account of" with the name of the creditor in the case. If you are drawing on a debtor to collect your own bill, you write your own name on that line. If, as a collector, you are drawing for one of your clients, you fill in that line with his name.

A good many agencies do not understand fully that in making out a draft they have a perfect right to sign the name of their client without a proxy. As a draft is simply a notification to the bank to collect the money, you have a perfect right to sign your client's name on the line above indicated, and it is not neces-

sary or desirable to write "Per" anybody thereon.

Where a draft is printed with the name of agency, or with the name of a firm thereon, the bank will return the proceeds to that agency or firm, or should do so. To prevent any mistake on this score a letter to a bank requesting return of proceeds to a certain place should be observed. In many cases all that is necessary is to enclose a self-addressed envelope with the draft. Always stamp the envelope, or enclose postage for return.

The name of practically every bank in the country will be found in Sharpe & Alleman Co.'s Lawyers and Bankers Directory, furnished by The American Collection Service.

A good out-of-town claim is most easily collected through a draft than through any other channel, but there are a certain number of "stock excuses" to answer which you should be prepared. The following letters are designed to meet these excuses:

Dear Sir:—

The First National Bank has just returned our draft on you for \$112.50, advising that you "Do not pay drafts."

It is a matter of regret that any misunderstanding of your policy was entertained. This may be easily rectified, however, by promptly mailing us a check for the amount, which is overdue. We will expect the remittance direct from you by the 12th.

Yours respectfully,

Dear Sir:—

The First National Bank advise us that you "pay no attention" to their notice of our draft against you for \$213.75, and have returned it unpaid.

We feel that you would show no such discourtesy to us or them, had they presented the draft to you personally.

A second draft is being sent today to the Sec-

ond National for collection, and this notification will give you an opportunity to anticipate their presentation of it, by having a check ready for them. We extend our thanks in advance for your prompt co-operation.

Yours respectfully,

Dear Sir:—

The First National Bank has just returned our draft on you for \$300, with advices that you have mailed a check direct. Your letter containing the check must have been mislaid by you, as we have failed to hear from you since date of forwarding draft.

We are today forwarding a second draft to the City National Bank. We are convinced that you will discover the check, possibly among your bills, and either it or a new, duplicate check, may be thus held in readiness by you. We are counting on your honoring the present draft promptly, and should your original check turn up here it will be promptly returned to you.

Yours respectfully,

Dear Sir:—

The First National Bank returns our draft for \$278 with advices that you "will write us." As no letter has been received we assume that some one not in authority took it on himself to misrepresent you slightly in the matter. We are especially inclined to this belief as there can be no real reason for any special communication from you, except to mail check on your now considerably past due payment.

A duplicate draft is being sent today through the Second National Bank, and we are advising them that you have been notified to meet it promptly, which we are assured you will do.

Yours respectfully,

Dear Sir:—

The First National Bank has just returned our draft on you for \$512.82 with advices that you claim "amount not correct."

We are assured that this notification from the bank is an error on their part. To make sure, however, we have carefully checked the amount with each ledger entry, and find it absolutely

correct as to amount. That there may be no misunderstanding, we inclose an itemized statement. Should there be the slightest error in it, please notify us by return mail, that it may be instantly rectified. Pending any adjustment of a possible error you may mail check for the amount unquestioned by you, after which we may easily straighten out any possible error.

As the bill is past due we must receive a remittance in part or whole by the 20th and will assume you are prepared to take up a second draft unless your check, in accordance with the above suggestion, is received by the 20th.

Yours respectfully,

Dear Sir:—

We have just been advised that you refused to honor our draft for \$224.00.

Are we to assume from this action that you do not propose to keep faith with us?

Your direct refusal to take up our draft, especially in view of no explanation from you, would indicate that immediate steps should be taken to protect our interests. These we shall take unless remittance is received within exactly six days from this date.

Your check, with a full explanation, should be sent without delay, as the consideration we have afforded you warrants no further leniency in the face of such a report as that just received.

Yours respectfully,

## Chapter XVII.

### Rent Collection Letters.

Among the worst claims to collect, if allowed to pass the point of maturity, are rent claims. The proper handling of such accounts is given practically no attention, which accounts in a large measure for the desperate outlook that the collection of any such claims presents.

As a matter of theory, a rent account differs little or nothing from any ordinary bill, but in actual practice the recovery of any overdue bill for rent is as hopeless a case as any to be ordinarily met with. For that reason such cases are to be given a specific treatment in this chapter, as we feel that any help on this difficult subject will be appreciated by many.

The ideas to be reflected by the following letters regarding rent claims may suggest a line of appeal new to some and suggestive in detail to others:

Dear Sir:—

Your rent for the month of March was due promptly on the first. It is now the fifth, and you have failed to send your check.

This oversight must be repaired by you immediately, as tenants other than the most prompt are inclined to throw a discredit on our building that must be avoided at any cost. You have probably failed to consider this phase of the matter, as otherwise there could be no occasion to remind you of this delinquency. As the moral conclusion is one that affects you quite as much as it does the standing of the property itself we are sure this reminder will be sufficient to secure your immediate attention.

Yours respectfully,

Dear Sir:—

Your rent for the month just passed has been overlooked by you. Please repair this oversight by mailing a check for \$35.00 tonight, that it may reach us by the 3rd instant. The invariable custom regarding rent payments is that they be made in advance, and our leniency in allowing you an undisturbed tenancy during the whole of March should urge a better degree of co-operation than your neglect evinces.

It is not possible that you can feel any satisfaction in the consideration that you are not rightfully entitled to the very roof over your head. A month's delinquency may be allowed once, but a repetition of such a favor cannot be allowed in the face of your neglect to pay before the end of the month.

Give this your immediate attention, as it is decidedly urgent.

Dear Sir:—

It has just come to our notice that you have vacated the premises at 68 Spring street, owing us for the month of March. It is also a matter of regret that you should have vacated with no notice to us of your intention. The regret in this case is one likely to be eventually brought home to you in a most embarrassing manner. It is on this account that we strongly urge your immediate payment to us of the amount due.

It has possibly escaped your consideration that a record of such undesirable removals is a matter of constant reference for other landlords, and that its significance may be fully appreciated by the owner of other property likely to be approached by you when you most need his considerate favor.

Please make it unnecessary for us to report this occurrence to the local association, which is a step as unpleasant for us as it may prove embarrassing for you later.

Yours respectfully,

Dear Sir:—

Your vacation of flat three at 425 Langley Ave. has just come to our notice. On account of your

actual tenancy you owe us the sum of \$38.50 for the month of April.

In addition to the sum due for use and occupation there remains an adjustment to be made by you for the unexpired term of two months under your lease. Both of these matters must have your immediate attention, if embarrassing developments are to be obviated.

You doubtless failed to consult your lease-copy, as you would have found therein a clause permitting us to confess judgment against you for the entire amount due until the expiration of the lease. We have only to present the lease to a Justice of the Peace in order to secure judgment by confession against you, on which an immediate execution may issue against your entire personal effects.

We trust you will make any such step entirely unnecessary by calling at once with the payment due for last month, and an adjustment satisfactory to us both in relation to the unexpired term covered by your lease.

Yours respectfully,

Dear Sir:—

Your neglect of our reminders on account of your unpaid obligation for June rent forces us to take proper steps to protect our best interests in the premises.

Unless your account is settled by the 10th we shall be forced to reduce the claim to an adjudication, which will be not only costly to you, but quite embarrassing later. A careful record of all judgments for rent is kept in every real estate office in the city, and few explanations are sufficient to remove the prejudice that such a record occasions in the mind of any careful landlord, or are desirous of maintaining a high standard of tenants. The result of any such record against you is one you can appreciate the desirability of escaping at any cost or present sacrifice, and we shall expect your immediate attention to this matter.

If further steps are to be avoided your check must reach us not a day later than July 10.

Yours respectfully,

## Chapter XVIII.

### Installing a Scientific Collection System.

There are many business men who demand a more definite hard and fast system than that suggested in the previous chapters. A good many, unfamiliar with credits and unfitted by temperament to give the proper study to its scientific understanding, prefer a set series of letters that will meet most ordinary requirements. Such a policy is not conducive to the best results, but to meet this demand an exposition designed to help in such cases will be incorporated in this volume.

The ordinary business, needing such help, is one usually lax in the very rudiments of granting and watching credits, and for that reason a description of the necessary steps before granting a credit is as essential as one designed to better systematize a credit department in looking after the collections themselves. The following material will repay examination in any event, as the idea of installing a miniature collection agency is fully outlined, with suggestions for its operation that will be found profitable to any business, whatever its excellence or wealth of detail.

The "sale" has become of such importance in the eyes of the merchant with competition on all sides that he fails to realize that a large number of sales are nothing more than gifts. Anything but a cash sale is always a gamble, and the only way to influence the odds in your favor consists in scientifically hand-



ling the credit sale, not only after it is made, but before as well.

It is presumed in this exposition that the business man considering it employs a "system," or appreciates the need of one. In either event he employs a credit man or acts in that capacity himself. As the ultimate object of this outline is to present a sensible collection plan, it is pertinent to consider first a few important details, which, on account of apparent insignificance, are usually slighted.

One of the most important of these is concerned in the initial step taken by a credit man in opening a new account. This is none other than securing the correct name and address of his prospective debtor. Every credit man should make it a rule to exact not only a careful spelling of the last name but also the full first name, and the middle name should the debtor possess one. Credit debtors move more often than cash customers, and for that reason as full data as possible is necessary if the matter is to be intelligently followed up. There are probably hundreds of J. A. Johnsons, and many more John Johnsons. John Albertus Johnson would not show in directories so many times, and to find him, tracing from a correct address, would be comparatively easy. The inference is obvious, but in spite of the value of this simple information it is rarely demanded in the first interview.

As the tracing proposition is one of the most expensive and annoying features of bad credits, it is important to secure counter references. A skillful credit man should be able to hold a diplomatic conversation with his prospective customer, apparently for the innocent purpose of becoming better acquainted. During this conversation a veiled quizzing process should be practiced. The names of several persons well known

to the prospect should be secured, and jotted down as quickly as possible. They prove valuable not only as an immediate line on his character and standing, but are invaluable later should he move or purposely skip. All such references should be looked up for telephone numbers at once, as more can be learned in five minutes over the 'phone than can be accomplished by a day's work on foot. The larger and better conducted credit departments are demanding this information of their employes, but from our observation most of the data is recorded in a slipshod fashion that renders it worthless as soon as written.

The feature of apparently impersonal conversations may be exploited much farther than securing the above mentioned simple points. It is potentially valuable in direct ratio with the skill of the questioner. Anyone seeking credit is more or less suspicious regarding questions on his previous credit operations. The more doubtful his basis for credit the more dignified he is regarding his source of income or its extent. He is always willing to talk about himself, however, and this common human failing should be played on to the fullest extent that time will allow.

Too much can never be learned about a prospect, and by diplomatic direction all the facts desired may be easily elicited by the experienced questioner. Every credit man should cultivate this art to the full. This method of questioning should supersede the brusque, perfunctory examination now the rule. Many credits are bad the moment they are extended simply on account of the insufficient details secured. Many such might be easily enlivened were the credit man in possession of the personal details easily secured on a properly conducted first interview.

The credit man who devotes great care to his initial

record is best equipped to take the necessary steps to protect his interests when the time for quick, intelligent action presents itself. To get the best action the moment a claim shows signs of becoming doubtful he must have a system amply developed and to that system strictly adhere. Every one flatters himself that he works on a system, but few consistently follow any.

The system of working accounts should be based on intelligent letters. You should have regular stated intervals when each letter should go out. Your limits must be definite and distinct and every letter should go out promptly on the dot. If your letters are neglected or delayed, debtors secure the impression that promptness is not essential and govern themselves accordingly. This point is of the greatest importance, and every member of a credit department should be schooled to follow the system without deviation. The claims for which your series of letters is intended should be conscientiously marked up for various dates ahead, taken out religiously and promptly written to within their respective time limits.

Too few credit men are fitted for the demands of their position, and each one's first duty to himself and his employer should be a thorough preparation in the secrets of collections and collection agency success.

The importance of thoroughly understanding the best method of procedure is immediately recognized by the credit man when any but the most simple problem presents itself. The successful collector of debts, be he in the business or be he credit man, is the one well grounded in the principles of scientific collection methods. Your rights and limitations are wonderfully understood by the dead-beat, and it is essential that your knowledge and diplomacy outmatch his. This knowledge is to be gained in only two ways, either

through long and costly experience or through competent scientific instruction. To exhaustively consider the entire subject of mercantile collections in this exposition would be practically impossible, nor is it necessary. The course on collections given by The American Collection Service fills this requirement. It treats thoroughly every phase of the subject, and so far as we have been able to learn is the only authoritative treatise on the subject to be secured in the country today. We will deal here only with the most important steps to be taken by the credit man on ordinary cases, and for fuller information on every conceivable branch of collection work we refer to the synopsis of lessons published by The American Collection Service above mentioned.

This entire discussion will presume that the credit man desires to employ a system that will prevent as much as possible the need of expert assistance in collecting his accounts. If the instruction given here is followed, there will be no excuse for paying to any collection agency the fees usually required by lawyers or "membership agencies" for the collection of current bills. This fee is 10%. After an account has resisted the efforts taught in this outline of procedure you will need the co-operation of the skilled collector. No better assistance can be secured than that afforded by the trained members of the Co-operative Bureau in connection with The American Collection Service.

## Chapter XIX.

### Systematizing a Credit Department.

In order to produce the best results a credit manager should in the first place have complete and unquestioned control of his department. It is not possible to proceed smoothly if constant suggestion and dictation are to be expected from other departments. The credit department should also have control of the bookkeeping in so far as the procedure to be followed is concerned, and if the most cordial relations between bookkeeper and credit man do not exist the bookkeeper should go, the quicker the better, as no intelligent grasp of the whole situation is possible for the credit man without the willing co-operation of the bookkeeper.

In a retail establishment the opportunity is almost a constant factor for a personal interview by the credit man with the applicant for favors. It is never wise to extend a credit without it. As a rule, moreover, the applicant for credit has come to a place of business and actually purchased a stock of goods before going to the credit man for the purpose of opening an account. This is a factor that makes necessary quick work and thorough investigation immediately, as the applicant always expects a delivery of goods to follow his application within a day at the outside.

Therefore a credit man should secure all the information possible in his first interview. After an intimate talk with the applicant during which an

understanding as to the exact rules of the house are made clear, an initial card record should be filed out then and there in the presence of the applicant. At this time you should explain in a conversational way why you want the record, interesting the applicant in your system, and arousing his personal interest in you at the same time. This will give you a good basis for possible personal appeals later should his account become slow.

For every account opened or refused a card record should be made. Your card may be any size desired, but one  $3\frac{1}{2} \times 5$  inches is the most convenient, and sufficiently large to contain all desired material. These cards may be printed in blank, but the following form should be followed and every point covered at the opening interview:

Name (full and complete, no initials) .....  
 Home address.....Home telephone No.....  
 Business address.....Business telephone No.....  
 Name of employer.....  
 If married, husband or wife's full name.....  
 Board or keep house?.....  
 Give names of companies with whom either fire or life  
 Give names of savings or checking bank account.....  
 insurance carried. ....

Names of three credit references:

- 1.....
- 2.....
- 3.....

Signature.....

Limit of credit.....

Terms .....

Each of the above points is important. When the applicant is asking the favor of you is the time to

secure this information, as it is practically impossible to secure it afterwards. Therefore never slur or neglect the initial interview, as from it you should make your decision as to the advisability of opening the account.

In extending a credit the credit man must be a pessimist. He must go on the assumption that every bill sold on credit is a risk. He must expect some incident to occur the day after any credit is issued that will make necessary certain steps to protect his interests. This element must therefore enter into his judgment as to the amount of risk that is safe. If the applicant has only a small weekly salary you must know where it may be garnisheed, if necessary. Therefore it is important to know the exact name of his employer and whether applicant is subject to exemptions on account of being a married man. If he has household goods you must know where he lives that an estimate of his chattels may be made by calling for a "look around." If other than a very small credit is asked you must decide whether enough goods are owned to exceed the exemptions for household goods should a levy ever be necessary, and you should know with whom a fire insurance policy is held should a fire destroy his effects, and a garnishment of that policy be imperative. If a bank account is carried it is most important to know where and the extent.

Although the element of possible recovery of a bad credit by levy or garnishment is one to be seriously considered and noted, the main basis for credit is not what a man owns, but **IS HE HONEST** and is he careful about maintaining a clean record. Your personal talk with a prospect should convince you to a certain degree of the general character of your applicant, and on that conviction it is as a rule safe to guide

your actions. This gift of sizing people up is the very basis of a good credit man's demand for recognition as such, and on this ability his work will succeed or fail. He must be a shrewd reader of men and be able to back up his judgment by quick and unequivocal action at all times.

A consideration of the exact basis for credit favors in relation to the customers of a retail establishment is more difficult than a similar decision on a wholesale credit. The retail store deals for the most part with persons in possession of few if any tangible assets above the exemptions allowed in the various states. The decision, therefore, is essentially one of individual merit. There are, however, a number of rules that may be followed with profit in all cases.

A man may have only a salary of \$15.00 a week and be a better risk than a man making \$100.00 with a house full of handsome furniture. Except in special cases it is a good rule to extend only a small credit to a single man. A single man on first thought would appear to be the better risk, as he is not subject to exemptions, as a rule, on garnishment. However, a married man is usually more steady and dependable, and he is able to skip about less. Also he has more at stake than a single man and is likely to feel his responsibilities greater, and have more regard for his credit. It is therefore better to have ten married men on your books than five single ones.

There are also a number of trades and pursuits the members of which should under no circumstances be allowed to have credit. We will give you below a number of businesses in which the men so employed should never be given credit unless you *know* with no question of doubt that the applicant is scrupulously honest and always pays his bills:



- Life insurance solicitors.
- Barbers.
- Waiters.
- Bartenders.
- Greeks in any business.
- Theatrical performers.
- Book salesmen.
- Any commission canvassers.

An extension of credit to any of the above is, as a general rule, bad the moment it is made. If your account is taken care of by any of the above it is a matter of congratulation, and more luck than good judgment attends any such extension.

There are also a number of risks that cannot be called wholly unsatisfactory, but which under certain circumstances are not wise to take.

A traveling salesman is not as a rule a good risk. Any man working on commission is not a good risk. Any man whose habits are learned to be expensive, irrespective of his income, is more or less risky. Any applicant who is sued frequently should be avoided. Any applicant buying furniture on contract or luxuries of other houses in addition to his credit with you is unsafe. Any man with a chattel mortgage of any kind against his effects should be refused. Any man with one or more judgments against him should be refused. Constant borrowers should be avoided.

If any of the above features develop in connection with your applicant during your initial talk with him, it is well to go no farther, but refuse the credit as courteously as possible then and there.

If none of these elements appear, advise the applicant that his application will be given attention and that he will be advised immediately of your decision.

As soon as any application is taken and your pros-

pective customer has gone, your investigation should be started *at once*. Any one asking credit wants a definite answer at the earliest possible moment, so do not delay learning the exact conditions.

The question of investigation arises at this point and is the most important feature of your work. In most cities there are credit reporting bureaus who make a business of securing reports on retail credit customers. You should immediately get what they have on file before going out on your own investigating. Most of these agencies will read to you over the telephone what they have on file. If their report shows that the applicant has had unsatisfactory dealings with other merchants it is safe to decide on refusing the application without farther investigation, but if for any reason you desire to proceed in the face of an unfavorable report, have your agency make a special investigation, bringing a report down to date and delivering to you as soon as possible. In entering any contract with such an agency it is well to incorporate in it that your reports are to be delivered to you within not less than two days.

In the meantime you should make an investigation of your own. This investigation must either be made by yourself, or you must have an assistant who is good at this class of work. In most credit departments it is possible to maintain at least one assistant who is able to do both collecting and investigating. A large amount of the work may be done on the telephone. Your first step should be to call up the references given and secure as confidential histories from your fellow merchants as they are able to give you. Discover how large credit they have extended. Secure their estimate of the applicant's honesty and general character. Find out whether he owes any past due bills to them. Dis-

cover whether he is a man that has to be run after for past due accounts, and learn how he has paid them. Also discover how long they have known applicant and dealt with him.

After learning all you can through his credit references, call up his employer and confirm his statement as to amount of salary, and find out how long he has been in present employment. Also ascertain whether he is one that changes positions frequently.

After learning all you can over the telephone, confirming every statement possible, send your investigator to the applicant's neighborhood. Instruct him to discover in a general way how much household goods he possesses, and learn how long he has lived in present home. Never fail to visit the neighborhood grocery and stores, learning from them how the applicant is regarded in his neighborhood.

Write on the back of your card a synopsis of all the information gleaned through these channels. If any statements made by the applicant are found to be false or contradictory, do not pass on the credit until another interview is had with applicant and the apparent discrepancies explained.

## Chapter XX.

### How to Handle Ledger Collections.

Having extended a credit and delivered goods under first order, a mode of regular procedure should be decided on and consistently followed out on each and every account that is ever opened on the books.

Many firms never render statements until the first of the month following purchase. This we consider a poor plan. The day a bill of goods is charged an itemized statement should be mailed at once to the customer. This gives an opportunity for *immediate* dispute on any irregularities, and if no complaints are received at once the "burden of proof" is on the debtor should he at any later date decide to raise any objection. It has been the result of a good deal of observation by us that firms following this policy get the best results.

If this plan is followed an important point is to be settled and acted on right here. It is the matter of discounts. Nearly all businesses offer some discount for cash payments. It *pays* to offer a discount, even as low as 1% if the margin of profit in your line will allow no more. A 2% or 3% discount is better, as it is an inducement to the purchaser, which he will always consider if he is a desirable credit customer. We will here tell you how to use the idea of discount in a manner little thought of by most firms. By employing the system of mailing statements on day of purchase quicker collections can be made by offering on *this* statement a discount of whatever amount your firm

gives for payment within 10 days of the *date of purchase*. The usual procedure simply occasions delay in collections, as the customer knows if a discount is offered at all it is usually offered for payment 10 days after the first of month *following* purchase. He therefore invariably awaits this time before settling, thus throwing back collection for you just that long. If you wish to make still farther inducements you may make your discount period any time after date of purchase up to the first of following month.

If this policy is followed, it is well to issue simply bill of previous month's purchase on the first of each succeeding month, and at that time offer a discount 1% smaller than is allowed on itemized statements.

Before making any adverse judgment on using this plan, think it over carefully and you will be able to figure out for yourself where you will be actually ahead in dollars and cents by using it.

On all good credit accounts checks should be in without fail by the first of the second month following date of purchase. Up to this date on every account the credit man will do well to leave the working of his system to his bookkeeper, and not worry himself with any more details than he can help.

The bookkeeper should every month on the first make a bill for every account and bring same to credit man should it be an account that has run any period over 30 days. The remainder the bookkeeper should take care of himself.

On all bills that have not been paid within the first 30 days succeeding purchase, the credit man should stamp with a small rubber stamp this notice:

**"YOU HAVE EVIDENTLY OVERLOOKED  
PAYMENT OF LAST MONTH'S BILL. Please  
mail check, which we are sure you have for-  
gotten."**

This notice shows your customers that you are doing business on a system and that you expect serious attention to be given your accounts. We do not consider it wise to simply mail bills to delinquents, as it breeds a certain carelessness that should not be encouraged or tolerated.

At this point in the history of each individual account, it is not necessary to make separate record for yourself, but it is the time to get the details of that account in some corner of your head, and remember it. It is just at this point that the debtor starts to demonstrate to you that his account is not guilt-edged.

At the expiration of the next thirty days you again have all accounts handed to you by the bookkeeper, on each bill of which he should mark the date of purchase, showing the balance on that date. All that have not been paid within these sixty days are to be immediately transferred to your "collection department" and given immediate attention. They have then begun to get "bad," and should be investigated in the event of insufficient data being on hand, or gone after at once for payment.

If you can afford a private collector, he should be given every account that has run this long and sent after the money on the day bill is 60 days past due. Your subsequent procedure will be decided by his report.

If you cannot afford a private collector and the debtor may be reached by telephone, get him on the wire at once and secure a definite promise for payment at as early a date ahead as possible.

If it is not feasible to reach him in this manner he should be dealt with through a regular form series of letters.

It is at this point that a system of handling accounts

past due must be formulated by you. We suggest the following plan:

For every account that has passed from the book-keeper's direct jurisdiction a record system must be kept. As long as a simple form letter system is to be used on such accounts a card system is sufficient. The volume of your business should decide for you the size of card to be used, but the method of filing should be the same, irrespective of the size of cards used. This filing system is divided into two categories. First, alphabetical system, and second, chronological system.

Your first filing system should be alphabetical. As soon as an account becomes 60 days old, make out a card as follows:

Johnson, John J.,  
Res., 124 So. 4th St.  
Bus., 628 Main St.

Employer, John French & Co. Telephone Main 243.  
Account opened May 10th, 1908. Amount due, \$23.00.

Form letters:

- 1st. 8/ 1/13.
- 2nd. 8/11/13.
- 3rd. 8/25/13.
- 4th. 9/ 2/13.
- 5th. 9/11/13.

From an examination of above you will see that a series of five form letters has been provided for, and you will note that the prevailing dates of business settlement have been observed, viz., 1st and 10th. The letters themselves will follow, and from them you will see that in our estimation it is best to reduce any tardy account to a strictly business basis and deal with it accordingly.

First letter, written 60 days after account becomes due :

Mr. John J. Johnson,  
City.

Dear Sir:—

Our bookkeeping department has just called to my attention that your account of \$23.00, which was payable not later than June 1st, has not been settled.

I naturally presume from an investigation of your record that our failure to receive your check is simply due to an oversight, and not to any disposition on your part to neglect its payment.

Being personally responsible for the delinquencies in my department, I am anxious to report this matter paid not later than the tenth inst. Kindly give it your attention, therefore, mailing check by return post, and greatly oblige me.

Yours truly,  
Credit Manager.

Second letter, written on the 11th day of month, on receiving no reply to first letter :

Mr. John J. Johnson,  
City.

Dear Sir:—

I am at a loss to understand your failure to reply to my letter of the first, requesting prompt payment of your past due account of \$23.00 not later than the tenth of the month.

Your delinquency in this respect reflects not only on your own credit, but is a reflection on my personal judgment in extending you the courtesy of an account with us.

I shall expect your businesslike attention to be given this past due account, and trust you will let me hear from you with a remittance covering the balance due at once.

Yours respectfully,  
Credit Manager.

Third letter, sent on the 25th day of month :

Mr. John J. Johnson,  
City.

Dear Sir:—

You have failed to accord an answer to my



two previous letters requesting the settlement of your bill of \$23.00.

On the first of the month this account will be ninety days past due, the excuse for which it will be difficult to make in my monthly report, as the terms of our department, as you are perfectly aware, are 30 days.

I must therefore insist on receiving your check before the first of the month, when my report is made up.

Please let us hear from you without delay.

Yours truly,  
Credit Manager.

Fourth letter, sent on 2nd of month following third letter:

Mr. John J. Johnson,  
City.

Dear Sir:—

Your account of \$23.00 was ninety days past due on the first.

Your silence convinces me that the confidence reposed in you, when the account was opened, was misplaced.

I wish to give you the benefit of every doubt, however, and I take this opportunity of advising you that I will extend you until the tenth of this month before advising that steps be taken to preserve the interests of the firm.

Unless the matter is paid by September 11th, the claim will pass out of my hands, and if you wish to save yourself this embarrassment as well as possible additional expenses, you will do well to mail remittance immediately.

Yours truly,  
Credit Manager.

Fifth and last letter before handling as desperate account:

THE AMERICAN MERCANTILE AGENCY  
Collections and Reports Everywhere.  
Chicago, Ill.

Dear Sir:—

Having become a subscriber to the rating system operated by the above agency and having secured its services to ascertain the value of our

accounts, we are about to place the adjustment of our delinquent claims in its hands. Before resorting to the lawful means laid down by the agency to enforce payment, we wish to notify you that these proceedings may be saved by a prompt settlement with us. Call, therefore, or mail check for \$23.00, the amount of your bill, within a week and save us the necessity of resorting to the agency's system.

Why not adjust the matter with us and save the annoyance and expense of litigation?

Yours respectfully,  
**THE HUB CLOTHING CO.**

The use of this last form, which should be printed and filled in with ink or typewriter, will result in cleaning up accounts to a degree that will surprise you. The Shryer Mercantile Agency inaugurated its use in its Chicago office a number of years ago, supplying all clients with as many blanks as they wished, free of charge. It was understood that any bills not paid after using it were to be handed in for collection on the regular terms. This form brought such phenomenal results to its users that it had to be recalled by the agency, as it "killed its business," so many bills were paid through its use.

## Chapter XXI.

### Collection Agency Procedure.

The preceding outline on the handling of an account (from the time a credit is requested until a trifle past ninety days have elapsed from its entry) is carried out in detail for a specific purpose. That purpose is to impel a recognition of the absolute importance of a uniform, regular system. It is naturally presumed that any business house conducts its credits and collections on some systematic basis. If your system is a good one and is getting satisfactory results up to the point of delinquency, there will be no occasion to change to the one outlined here. If your system is not exact and regular, or is lax in operation, it should be remedied immediately to conform with the idea here presented in relation to time limits of regular reminders to debtors, whatever the latter's responsibility.

The main purpose of this instruction is to take up a bill at the point where its delinquency demands the payment of a fee for collection, usually a fee of 10% on a good current account. That point is reached when such a series of "house" letters exhausts itself at the expiration of 90 days. To neglect any account after such a length of time is simply inviting the penalty later of a heavy commission to the skilled recoverer of bad debts, whose commission is always well earned at 25% and oftentimes at 50%.

The system to be next outlined is not intended to be used on old accounts, desperate claims or neglected obligations.

With this thought in view, the results achieved through the simple series of communications to follow the preceding house letters will produce a percentage of recoveries absolutely astonishing to the average business man who has had no occasion to study the effect on a debtor that Collection Agency intervention produces.

The general public knows little or nothing of collection agency methods. Most people imagine and fear that given certain conditions certain dire and awful effects will follow a notification from a collection agency to pay a bill. It is the fear of what they really know nothing about that usually occasions the payment of a current bill on a single collection agency letter. It is only the mental attitude of the debtor in impelling him to pay after receiving a few such letters that makes it possible for a bill to be collected for 10%. The usual work, trouble, expense and detail in collecting an old or neglected bill make a commission of 25% and 50% the only honest rate.

By taking advantage of this apprehension of the general public the series of notices we will give you will collect many bills on which you could reasonably expect to pay no more than 10%. There will be nothing in any of the forms to be here given that can actually offend any customer of your establishment. They are draughted for the purpose of forcing in payment direct to you, and at the same time giving you an opportunity of determining whether or not the debtor is a customer you have any desire to continue on your books after payment of a delinquent account first in arrears.

In the first place, the credit man should choose a name under which he should do business "on the side." Choose a name with the words "Mercantile Agency"

in it. Do this for two reasons: First, it is one that does not conflict with any state laws regarding names used by individuals that suggest a corporation title. "Mercantile Agency" is not a corporate style. Second, use it because it suggests to the debtor two things, one being that he is about to be approached by a REPORTING agency, and another that the agency is a COLLECTION agency. He desires to be involved with neither, and the name is perfectly suggestive of both. In choosing the first name we suggest AMERICAN, as indicating a national scope, which is more or less impressive.

You will in reality be operating a miniature collection agency, and for this reason it is best to print an actual address on your collection stationery. There will usually be found some employe whose house address may be used for this purpose. Very few debtors, of the class for which this series is designed, will call on your "collection agency" to pay their bills. They will be found mailing their payments or calling at the store to pay and explain. If, however, no street address is convenient for this use, you should rent a post-office box where such mail may be delivered. Never use a false address, and do not use the word "Collections" in your title in any event. There are postal rulings in regard to both that should not be violated. To go into detail regarding them here is unnecessary. Should you desire full explanation relative to each, the full course of lessons of The American Collection Service covers these and similar points exhaustively, and we refer you to them.

Having set on a proper name, have stationery printed with name at the top. If you wish you may have your regular firm name address printed on the paper. Your collections through this medium will

be almost entirely by mail, and it is immaterial as to the address not being a street address. It will also serve to drive your debtors direct to the store, where you may the more easily make terms with them.

When an account has had all five of the "house" letters sent, you are ready to take your last step before actually operating on the debtor through your collection agency. It is to stamp a bill with a bright red rubber stamp one week after sending fifth letter. This stamp should read as follows:

**This bill goes into the hands of  
THE AMERICAN MERCANTILE AGENCY  
If not paid in THREE DAYS.**

At the expiration of the three days' grace, transfer your original card record of the account to a separate index box, which you may consider as your "Collection Agency Record." As soon as transferred your first real collection agency letter should be mailed. Your collection agency letters should be sent out a week apart, and regularly noted on the index card as having been sent, and the date mailed. Watch these dates closely, and see to it that the notices follow each other exactly one week apart. This time limit is one decided on by us after many experiments and years of watching results. The four notices that follow will take just a month to complete, after which you will need real, trained, persistent, collection agency help, should any current bill remain uncollected. Each form will be printed in full, with headings and directions.

We will assume that you will choose as the name of your miniature agency "The American Mercantile Agency." That you have chosen a postoffice box as your address, and that your business is located in Chicago, Illinois. Let your own letter-heads be changed

to meet the exact conditions of your actual location and address. If your business is large and you will likely send out as many as 100 of each form a month, it will pay to have the body of the notices multi-graphed, the only filling in you will have to do in such an event being the name and address of debtor and the amount he owes. If you intend using only small numbers of each notice and your printer wants too much for small quantities, we will furnish you letter-heads artistically printed on the same quality of bond paper as that used exclusively by The Shryer Mercantile Agency for \$2.20 for 500 large letter-heads; \$3.05 for 1,000 large letter-heads; \$1.65 for 500 envelopes to match, and \$2.60 for 1,000 envelopes.

## Chapter XXII.

Four Collection Agency Forms for  
Current Bills.

THE AMERICAN MERCANTILE AGENCY

Collections and Reports  
Everywhere

Chicago, Ill.

Mr. John J. Johnson,  
City.

Dear Sir:—

The Hub Clothing Co. has just placed in our hands, among other bills, an account against you for \$

Our contract with our clients demands an accurate reporting relative to your worthiness for any further credit rating, as well as the conscientious recovery of every delinquent claim placed with us.

We trust that your prompt payment of this item will relieve us of any unpleasant duty in regard to reporting in this particular, and that your check by return post may repair any injury to your standing that possible oversight may have unnecessarily occasioned.

Kindly have the courtesy to give this your considerate attention at once, and oblige

Yours respectfully,

THE AMERICAN MERCANTILE AGENCY.

THE AMERICAN MERCANTILE AGENCY

Collections and Reports  
Everywhere

Chicago, Ill.

Mr. John J. Johnson,  
City.

Dear Sir:—

A week ago today we called to your attention



the matter of your past due obligation to the Hub Clothing Co. of \$

We pointed out to you our desire to allow no stigma attending such delinquency to affect your credit standing in the event of an oversight being the cause of its neglect. We are considerably surprised that you have jeopardized your credit reputation to such an extent as the wilful disregard of such a reminder indicates. May we not receive your payment immediately, that any excuse for further procedure on our part be unnecessary?

Should any valid reason be the occasion of your failure to meet this obligation promptly, you owe it to your best interests to so notify us or our clients without delay.

Let us hear from you by return post.

Respectfully,

THE AMERICAN MERCANTILE AGENCY.

THE AMERICAN MERCANTILE AGENCY

Collections and Reports  
Everywhere

Box 252

Chicago, Ill.

Mr. John J. Johnson,  
City.

Dear Sir:—

It has been two weeks since we first brought to your attention the matter of claim in our hands for collection against you from the Hub Clo. Co. amounting to \$

We naturally presume from your silence that you feel justified in treating our notifications with contempt. Such being the case we shall consider any farther regard for your feelings unwarranted, and guide ourselves accordingly.

Unless you see fit to pay this bill and pay it IMMEDIATELY, we shall at once institute more stringent measures to insure the protection of our client's best interests in the premises. Your very immediate settlement may save you considerable annoyance as well as additional trouble and expense.

Yours truly,

THE AMERICAN MERCANTILE AGENCY.

## FORMAL DEMAND BEFORE SUIT

State of Illinois        }  
County of Cook        }     ss.

### FORMAL DEMAND FOR DEBT

The Hub Clo. Co., Creditor.  
John J. Johnson, Debtor.

To the above named Debtor,

**FIRST:** You will please take notice that the above named Creditor hereby expressly charges that you are indebted to it in the sum of Twenty-three Dollars, for goods, wares and mdse. sold and delivered.

**SECOND:** Although demanded, the same has not been paid, nor any part thereof.

**THIRD:** Now, therefore, unless satisfactory payment, in full or in part be consummated on or before the 10th day of June, A. D. 1909, at 2 o'clock p. m. of said day, prima facie evidence of said debt shall be perfected through this and previous demands entitling above named Creditor to full judgment at Debtor's cost in law according to the statute in such case made and provided.

Dated at Chicago this 5th day of June, 1909.

**THE AMERICAN MERCANTILE AGENCY.**

Amount.....	\$.....
Interest.....	\$.....
Estimated Costs..	\$.....
Total.....	\$.....

This series of letters having been designed for use on accounts in no sense old or neglected, will not prove applicable to other than strictly current accounts, and the use of this series, or any other, is not a practice to be made a habit. The last two forms of the series may prove very effective on even older bills, but an intelligent study of individual cases will allow the use of more personal appeals through the careful study of special appeals outlined.

An understanding of the principles underlying any

successful collection appeal should be the desired goal of every collection letter writer. Any set series of forms has its weakness, which is its failure to adjust itself to every case or class of cases.

## Chapter XXIII.

### Collection Agency Forms.

The instruction given in the immediately preceding chapters will make clear to the business man the profitable nature of a collection department that embraces the use of a miniature collection agency for personal collection work. The chapters to immediately follow will outline a large number of successful collection agency forms that have been submitted by members of the Co-operative Bureau of The American Collection Service.

Before exhibiting these forms, which will be found arranged in logical order relative to special uses, I wish to reproduce a set of forms, or rather a series of forms, similar in character to those reproduced in Chapter Twenty-two. The set that follows contemplates the same usage, and the forms themselves were designed by Mr. R. B. Clark, an attorney in Chicago, who designed them subsequent to a connection with the Shryer Mercantile Agency as attorney in handling thousands of collections every month. The series to be reproduced were sold to the merchants of Chicago, who employed the ideas contained in them to great profit and advantage.

The complete series is as follows :

Office of  
**THE AMERICAN ADJUSTMENT AGENCY**  
Offices in All Parts of the U. S.

**Name**..... **Address**.....  
Date.....

Our attention has been called by.....  
to an outstanding account against you amount-  
ing to..... Is there any valid reason why this  
account should not be paid at once? Our thor-  
ough knowledge and application of legal pro-  
cedure permit us to adjust accounts of our cli-  
ents satisfactorily, as we have power to make  
terms of settlement or demand from the debtor  
a valid reason why there should be a default in  
the payment.

Believing that you prefer an amicable settle-  
ment of this account without further trouble,  
costs or publicity, we urge you to arrange settle-  
ment not later than.....

Respectfully,

The American Adjustment Agency.

Make settlement at this time with.....  
and we will be instructed to withhold action.

.....

### We Urge Confidential Settlements as Preferable to Newspaper Publicity.

No responsible person will allow, and poor  
people cannot afford, to have judgment and costs  
rendered against them.

An opportunity is now given to settle this ac-  
count before it gets into court. When once a  
judgment is entered all defenses are barred. It  
becomes a lien on all property owned by debtor.

We do not hesitate to garnishee wages or bank  
accounts and never fail to use every legal expedi-  
ent to collect claims.

We Have an Office in Every City in the U. S.  
Name..... Address.....

Date.....

Some days ago we gave you notice of a claim  
against you for.....placed in our hands by  
.....which is reported to us as still  
unpaid, thereby augmenting the risk of legal  
costs. While not desirous of forcing claims  
against those who will pay, without resorting to  
extreme measures, yet we must insist upon a  
speedy settlement of this account. Therefore, we  
extend the time to.....when, if still  
unpaid, we can at once institute legal proceed-

ings against you and insist upon personal examination before the court. By giving this your prompt attention you may avoid the publicity and expense of forcing payment through the courts.

Respectfully,

The American Adjustment Agency.

Make settlement at this time with.....  
and we will be instructed to withhold action.  
.....

State of..... ss.  
County of.....  
In the.. Court. Gen. No.....

Creditor Demand for Payment of Debt

Debtor

FINAL NOTICE

**YOU ARE HEREBY NOTIFIED** to pay within..... days from date..... Dollars and..... Cents, being the amount of a claim held against you by the above named Creditor.

**YOU ARE FURTHER NOTIFIED** that unless account is satisfactorily settled within time stated above we will immediately bring legal proceedings to collect the same.

Dated this.....	Estimated Court Costs \$.....
day of .....190..	Amount..... \$.....
	Total..... \$.....
	Interest..... \$.....

The American Adjustment Agency.

P. S.—Should you desire to settle with your creditor .....

Do so at once and he will instruct us to withhold suit. ....

**Notice to Employer**—We dislike to annoy you, but unless your employee makes arrangements for settlement, we shall have to garnish weekly and have your books show the standing of his account in court.

County of..... ss. vs. Garnishment Notice  
State of.....  
To..... Employer  
..... Debtor

You are hereby notified that the undersigned has a claim against said debtor or wage earner for the sum of \$.....and costs, now past due and owing.

In accordance with Statutes of your State relating to the garnishment of wages or funds of any nature, demand is hereby made upon you for the payment of the aforesaid claim out of the wages or monies due or to become due said debtor not exempt from garnishment.

The employer is required to hold the excess of said debtor or wage earner's wages or monies, above his legal exemptions, subject to garnishment, for the period covered in the said statute.

The said employer is further required to notify the said employee or debtor of the receipt of the notice immediately.

The said employee has received a copy of this notice.

Dated this.....day of.....A. D. 190..

This notice holds funds for five days and is followed by garnishment summons.

.....Claimant.

Address.....

Notice to Employee—To ignore the above will be the cause of annoyance to your employer. It is followed by a garnishment summons or citation and a subpoena Duces Tecum, compelling your employer to bring all books into court to show your account. You can save this annoyance and yourself further costs by prompt settlement.

Office of

THE AMERICAN ADJUSTMENT AGENCY

Offices in All Parts of the U. S.

.....

Dear Sir..

We take the liberty of calling your attention to an account placed with us, by one of our clients, Messrs.....

Address.....amounting to \$....

In accordance with contract which we have with our client, statements of accounts as soon as past due, are immediately placed in our of-

fice. In many instances, it may seem a trifle premature, for an account to be forwarded to us as soon as past due, but we trust that you will consider, that the terms which have been given to you are liberal and that it is nothing but fair, that the account should be adjusted by you at this time.

We enclose statement of account and ask that you send check in enclosed addressed envelope to our client DIRECT.

Assuring you of our appreciation, for giving this matter prompt attention, we are,

Yours respectfully,

The American Adjustment Agency.

Office of  
THE AMERICAN ADJUSTMENT AGENCY  
Offices in All Parts of the U. S.

Dear Sir..

On..... we called your attention to the fact, that one of our clients, Messrs.... Address..... had placed with us for adjustment, an account against you amounting to \$.....

We assumed, that upon your attention being called to the matter, you would immediately communicate with our client, and we would not hear anything more about it.

We are, however, in receipt of advice this morning, to the effect that the account still remains unadjusted. Undoubtedly our previous letter escaped your attention.

We again enclose our client's addressed envelope and request that you REMIT AT ONCE or communicate with our client DIRECT, stating just when you will arrange an adjustment.

Trusting that the matter will at this time be arranged satisfactorily with our client, we remain

Yours respectfully,

The American Adjustment Agency.



Office of  
THE AMERICAN ADJUSTMENT AGENCY  
Offices in All Parts of the U. S.

.....  
.....  
Dear Sir..

Notwithstanding we wrote you on the.....  
and.....calling attention to your failure to settle your indebtedness with our client.....  
Address.....amount \$..... we are again notified this morning, that you have not balanced your account, nor have you written stating when you would do so. You have thus apparently ignored our previous communications.

While not desirous of forcing claims against those who will pay, without resorting to extreme measures, yet we must insist upon a speedy settlement of this account. Therefore, we extend the time to..... when, if still unpaid, we will at once institute legal proceedings against you.

By giving this your prompt attention, you will avoid the publicity and expense of forcing payment through the courts.

Respectfully,

The American Adjustment Agency.

P. S. To make sure that this matter is brought to your attention we take the trouble of sending this letter by registered mail in one of our client's return envelopes. We request that you communicate AT ONCE with our client DIRECT. We will then be instructed to withhold action.

State of..... ss. In the..... Court, A. D. 19....  
 County of.....

..... Debtor Demand for Payment of Debt

..... Final Notice  
 ..... Creditor

To..... Debtor

Address.....

You are hereby notified that the above named Creditor expressly charges that..... has a just and valid claim versus Debtor in and for the sum of..... Dollars and..... Cents which is now due and owing and

Whereas, the above named Creditor has demanded of said Debtor the sum above named and said Debtor has refused and still refuses to pay same.

Therefore, Final Notice is hereby given said Debtor to pay said Creditor, within..... days from date, the aforesaid sum and in the event of Debtor.. failure to do so, we will immediately initiate proceedings to collect same.

Dated this..... day of

..... A. D. 190..

Amount.....	\$.....
Interest.....	\$.....
Estimated Court Costs.....	\$.....
Total.....	\$.....

The American Adjustment Company.

Under our contract with client..... address..... unless we are instructed to the contrary within time specified above, we will at its expiration, at once start suit.

## Chapter XXIV.

### Complete Agency Series.

Two complete series of agency follow-up are given in this chapter. The first series consists of five letters for regular use on general accounts. The letters are written on logical lines, are nicely graduated in strength and are bringing in good results.

Dear Sir:—

There has been placed in our hands for immediate collection a claim against you amounting to                      due to

We are informed that this is a valid claim which should have been paid some time ago, and our client feels that your credit has already been extended much longer than would ordinarily be justified.

Possibly the delay in payment is due to an oversight on your part, rather than an attempt to defraud your creditor. We will therefore delay taking active steps in the matter for a few days.

You will see the necessity of paying at once, as we must push every claim to a full settlement without delay. Your promptness will insure you against much needless cost, annoyance and expense, and will justify us in not adding your name to our list as one of those we report as being SLOW PAY, thus giving you a much better rating than would otherwise be possible.

Please do not let the matter drag, because in such an event, we would be obliged to resort to other means of collection, which may become somewhat annoying, and we have no desire to treat you other than as a friend. We are sure your promptness in answering will be better for all concerned.

Trusting you will appreciate our fairness in

presenting the matter to you in this way, and that you will let us hear from you with a remittance by return post, we are

Yours respectfully,

Submitted by the Peerless Mercantile Agency,  
Norristown, Pa.

Dear Sir:—

Your failure to respond to our recent courteous letter in relation to the claim we hold for collection against you in favor of justifies us in believing that it is a valid claim, and that you are unable to offer any good reason for its remaining unpaid.

Your creditor has done his best to accommodate you, and the fact that this credit was extended to you, indicates that he reposed a great deal of confidence in you. Do you think you are justly repaying that confidence by ignoring its honest adjustment?

Will you not take up this matter seriously, and let us hear from you by return mail, that any excuse for further procedure on our part may be unnecessary?

We have every desire to accomplish a satisfactory settlement of this bill without resorting to any measures certainly justified by a continued indifference on your part. We want to give you a square deal, but you must do your part.

If you can send us a remittance in settlement, it will assist us greatly in giving you that place in our records that we would like to accord you, and will further render unnecessary a resort to more stringent measures.

Some evidence of good faith should be made by you, even if you find it impossible to settle the entire amount at once. In the latter case, you can send us a payment on account, and set a date in the near future when you will undertake to make final payment. This will show your good intentions, and will justify us in granting you further time.

We are willing to consider any reasonable terms of settlement, and that further steps may

be obviated, we suggest that you promptly arrange for its honorable adjustment.

Yours respectfully,

PEERLESS MERCANTILE AGENCY.

Dear Sir:—

Several urgent letters have been sent you in reference to the claim we hold for collection against you in favor of

Not a word have we had from you. Why? Do you not expect to pay this account? If not, why not?

Common business courtesy should certainly prompt you to promptly advise us of your position in this matter. By so doing you will be able to make good your standing with our client, and at the same time make unnecessary the issuance of any process likely to cause added expense and trouble.

We understand that you are in a position to have paid this account long ago. Is this a fact? ARE YOU DOING RIGHT IN WITHHOLDING PAYMENT AND OFFERING NO EXCUSE? Wasn't this credit extended on the condition that you would pay promptly, or within a reasonable time?

Surely you do not wish to be looked upon as an object of charity, or one who is making no effort to pay his just debts. Such terms may seem harsh to you, but how else will you be regarded by honest people to whom your default may become known?

To ignore all requests for settlement of an honest debt, indicates that the party so acting is indifferent to the maintenance of a good reputation, and is willing to be classed as a person who makes no effort to meet his honest obligations. Are we to so construe your silence?

We urge confidential settlements as preferable to Legal Publicity, and we know that you would not like your relatives, friends, employer, lodge or church connections to hear of your delinquency in this matter. We never go to extreme measures unless we are certain the debtor is of a sort not entitled to any consideration.

Unless we hear from you promptly, we are under the necessity of considering it desirable to bring the matter to an immediate issue. A remittance at once will stop further proceedings now in preparation.

Yours respectfully,

PEERLESS MERCANTILE AGENCY.

Dear Sir:—

Our recent letter to you remains unanswered. If there is any valid reason for ignoring this debt, why do you not make clear to us what that reason may be? Why do you not make an effort to arrange for its immediate payment?

We regret that you have taken the stand you have, in this matter, as it would seem to be very unwise on your part. The refusal, or even neglect to pay an honest debt, not only leads to trouble, loss of time and money necessary for defense, but in most cases a loss of reputation for honesty and fair dealing.

Our client trusted you, thinking you were honest and honorable, a person who would make every effort to meet your obligations. Was he mistaken? Didn't you ever intend to pay this bill? Unless we hear from you at once, we cannot assume that your intentions in this matter are altogether as they should be, and we must act accordingly.

We want to be perfectly fair in the matter, and we do not wish to subject you to the annoyance and costs of legal proceedings, and the publicity which is sure to follow, unless an amicable settlement appears to be impossible. Why not take a common-sense view of the matter? Pay the debt in installments if you cannot pay it all at once.

We will treat you right if you give us half a chance, but we believe this debt to be justly due, and simply because we have been so lenient with you up to this time, you must not think that we are going to let the matter drop.

No responsible man will allow, and a poor man cannot afford, to have judgment and costs ren-

dered against him. In order to make such a step unnecessary, we have to advise that a prompt adjustment is necessary, as our client has given instructions to bring the matter to an issue at once, in the absence of a disposition on your part to arrange a settlement.

No further excuses or delays can be accepted. We must have a definite understanding in the matter immediately.

Yours respectfully,

PEERLESS MERCANTILE AGENCY.

Dear Sir:—

We have repeatedly requested an evidence of your intentions regarding settlement of the claim in our hands for collection against you.

Don't you owe this bill? Our information is that you do, and that you could have paid it long before this. Is this a fact? **DO YOU THINK YOU ARE TAKING THE HONORABLE COURSE IN THUS POSTPONING PAYMENT? ARE YOU TREATING YOUR CREDITOR AS YOU WOULD WANT TO BE TREATED?**

You must have had the reputation of being honest and prompt in your business dealings at the time this credit was extended to you. Are you willing to forfeit that reputation by failing to keep your word? We do not wish to do you any injustice, but can see no excuse for your continued delay. This account **MUST** be settled.

It would be foolish for you to allow us to bring suit against you, but if we must, we will.

Papers for court proceedings are ready to be issued, and the only way to prevent them being served upon you is to settle with us **NOW**.

We have no desire to burden you with the payment of court costs in addition to what you now owe, and will therefore wait until next week before taking action. In the meantime you can send us a remittance in payment of your account, or make some definite arrangement with us for its speedy settlement. This will stop further proceedings.

Your own wisdom should show you that the

best thing for you to do is to attend to this **RIGHT AWAY**, that any unnecessary costs and publicity may be avoided.

Yours respectfully,

**PEERLESS MERCANTILE AGENCY.**

This series is used by the same agency for debtors in business and on small accounts.

Dear Sir:—

There has been placed with us for immediate collection a claim against you in favor of

Is there any valid reason for not settling at once?

Kindly let us know whether the account, as stated, is correct, and also what arrangements you can make as to settlement.

Before pursuing more stringent measures to secure a settlement, we shall wait a few days for your reply.

Your promptness will insure you against much needless cost, annoyance and expense.

Thanking you for a prompt remittance, we remain,

Yours respectfully,

(Submitted by the Peerless Mercantile Agency, Norristown, Pa.)

Dear Sir:—

We are surprised not to have had an answer to our recent courteous letter in regard to the claim of placed in our hands for collection against you.

We have every desire to accomplish a satisfactory settlement of this claim without resorting to any measures certainly justified by a continued indifference on your part.

If you can send us a remittance in settlement, it will repair any injury to your credit standing that possible oversight may have unnecessarily occasioned.

Kindly have the courtesy to give this your careful, considerate attention at once.

Yours respectfully,

**PEERLESS MERCANTILE AGENCY.**



Dear Sir:—

We have twice called to your attention the matter of your past due obligation of

Your wilful disregard of our letters indicates that your delinquency in this matter is not an oversight, as we at first supposed, but that you have some reason for the delay in settling.

Should your reason be a valid one, you owe it to your own best interests to so notify us without delay.

May we not receive your payment, or an explanation, by return mail, that any excuse for further procedure on our part may be unnecessary?

Yours respectfully,

PEERLESS MERCANTILE AGENCY.

Dear Sir:—

It has been some time since we first brought to your attention the matter of the claim in our hands for collection against you in favor of

We naturally presume from your silence that you feel justified in treating our notifications with contempt. Such being the case, we shall consider any further regard for your feelings unwarranted, and guide ourselves accordingly.

Unless you see fit to pay this bill promptly, we must at once institute such proceedings as will insure the protection of our client's best interests.

Your very immediate settlement will save you much annoyance, as well as additional trouble and expense.

Yours respectfully,

PEERLESS MERCANTILE AGENCY.

Of this series of three letters, the first is used on claims of larger amount than the average, and where it appears likely that the debtor will be unable to settle in full at once, but will be encouraged to take up the claim if he is made to feel that instalment settlement will be accepted.

Dear Sir:—

have handed us for adjustment their claim against you amounting to

We would prefer to get this account settled amicably and for this reason write to enquire what you are prepared to do to bring this about.

If you are not in a position to pay all at once we are willing to recommend to our clients the acceptance of a settlement in regular weekly or monthly payments.

As a proof of your good intentions send us by return mail a remittance for as much as you can manage and state definitely just when and how you will complete the settlement and arrange to live up to it.

If you will give this matter the prompt and careful attention which its importance demands we are sure a mutually satisfactory settlement can be arrived at without the necessity for costs and unpleasantness.

We trust you will not fail to realize that a prompt reply is necessary. Let us hear from you without delay advising just what you are prepared to do.

Yours respectfully,

(Submitted by A. T. Holland & Son, Montreal, Quebec, Canada.)

The second is used to stir up and “get under the hide” (as the sender expressed it) of well-meaning but careless debtors.

Dear Sir:—

On the 10th we wrote you a courteous, business-like communication in regard to your indebtedness to and are somewhat surprised to be without any reply,—as common business courtesy would call for such, at least.

We can only conclude that you intended to answer it but did not do so at once, and in this way it has been overlooked, but will expect when you receive this reminder you will attend to it immediately.

Yes, Mr. , AT ONCE, because delays are dangerous and our memories are often poor. Sit right down as soon as you open this

letter and answer us in a straightforward, business-like way.

**DO IT NOW!**

We shall look for your reply by return mail.

Yours respectfully,

(Submitted by A. T. Holland & Son, Montreal,  
Quebec, Canada.)

The third is in the form of a final notice of legal proceedings in connection with the follow-up or after a promise of settlement has been made and not lived up to.

Dear Sir:—

We believe you are making a great mistake in taking no notice of our recent letters regarding claim against you. We regret you should take this unwise course.

Our object in writing you so often, before having our attorney enter suit, is to save you costs and unpleasantness. This you do not seem to appreciate.

The refusal, or even neglect, to pay an honest debt, not only leads to trouble and unnecessary expense, but, in nearly every case, to a loss of reputation for honesty and fair dealing. Can you afford to take this chance?

In case you have wrong ideas we would state the fact that the law makes it cost more to beat a creditor out of an honest debt than to pay it. We trust you will see the matter in its true light and render suit unnecessary by making an immediate arrangement with us to settle.

We give you **FAIR AND FINAL** warning that should we not hear from you by the the law will have to take its course.

Yours respectfully,

(Submitted by A. T. Holland & Son, Montreal,  
Quebec, Canada.)

We give herewith four letters, comprising an entire agency collection letter follow-up, which was composed during the panic period of several years ago. They are particularly valuable because of that feature. The

first letter generally brought replies of the same tenor, so the second was written to cover them. The second letter secured splendid returns in a good proportion of cases. The third and fourth are strong.

Dear Sir:—

The enclosed bill covers the \$28 which is now several weeks past due us.

When you stop to consider that we have nearly 15,000 outstanding accounts, you can readily understand why we cannot afford to permit any account to remain long unpaid.

It is our opinion that it is not your desire to defraud any man of his just dues as we take it for granted that your delay in settling your bill is due more to oversight rather than any inclination on your part to avoid payment.

If you cannot remit in full, we shall be glad to arrange with you some partial payment plan to suit your convenience, and we shall be pleased to see you at our office or hear from you regarding this matter.

Our policy is to cause no man any unnecessary expense or trouble if it can possibly be avoided in collecting a bill. You know that legal proceedings would be not only distasteful to us, but expensive to you. We, therefore, request that you be as frank with us as we were prompt in accommodating you.

Should there be some good reason for your not settling we ought to know it; but if there is no reason, then, of course, you intend to remit promptly.

Will you extend us the courtesy of an answer to this letter by next mail?

Very truly yours,

(Submitted by L. A. Yurman, Room 310, General Land Office, Washington, D. C.)

Dear Sir:—

From your letter of the 6th inst., we learn, much to our disappointment, that you cannot keep up your payments as agreed, giving your reason as "hard times."

The times are hard, it is true, but what about

us who are obliged to carry thousands of unpaid accounts? The amount which we have to pay us monthly, namely—\$7, is little enough, and we think that you should be perfectly able to pay it without any trouble. We have large demands made on us daily and we must make some sort of arrangement to meet our heavy obligations.

Every dollar we can get from our delinquent customers helps us to cover a gap. Will you not make a strong effort to help us out so that we can keep our promises? You came to us in time of need and we cheerfully helped you, not questioning your good will; now, won't you give us a helping hand in this financial stringency? You can do it. Try it. Make a good try. You will find that the \$7 will do a double good, helping you and us out of debt.

Now, don't fail us. We appeal to you as man to man, and we need your co-operation.

We shall look forward with earnest interest to your remittance. Thank you.

Very truly yours,

(Submitted by L. A. Yurman, Room 310, General Land Office, Washington, D. C.)

Dear Sir:—

When we wrote you the last time we hoped that you would give our letter at least a hearing, but we are sorry to note that neither remittance nor word from you has reached us to date.

It is needless to say, that we have extended to you every possible aid to settle this small account, but you do not seem to appreciate our efforts. It has come to a point with us where we will have to adopt sterner methods to get what rightfully belongs to us.

In our previous letters we gave you every opportunity to retrieve your credit with us, and to keep your name off the "blacklist" register, but it seems that you are forcing all this unnecessary trouble and expense on your own self.

This is positively the last chance you have to still keep within the good graces of the business fraternity. Will you settle up NOW or do you wish to have legal proceedings brought against

you? Let us hear from you one way or the other.  
The inclosed envelope is for your convenience.

Very truly yours,

(Submitted by L. A. Yurman, Room 319, General Land Office, Washington, D. C.)

Dear Sir:—

This is the last chance you have to settle up with us.

We have repeatedly written requesting you to settle up, but for some unaccountable reason you have ignored our numerous letters. It seems to us that your conscience is a thousand times more impervious than an elephant's hide, or a coat of mail. We have given you every opportunity to meet your obligation, have extended to you every courtesy within our power, but you thought it best not to take advantage of leniency in this matter.

A copy of this letter will be kept on my desk for FIVE DAYS, and if at the end of that time I fail to hear from you the account will be turned over to our attorneys with instructions to spare no expense to make you pay up your honest debts. Pay up and avoid expense and trouble.

Yours truly,

(Submitted by L. A. Yurman, Room 310, General Land Office, Washington, D. C.)

The Associated Collectors Company of Chillicothe, Ohio, has perfected a set of follow-up letters which are original in form and contents. The agency has sold these letters to a number of collectors, who are using them with very good results. Particular attention is directed to the irregular indentation of sentences and paragraphs. This form has been thoroughly tested by accurate records, and it has proved effective. The use of the letters in this volume is through the courtesy of Mr. H. K. Galbraith, manager of the Associated Collectors Company.

The letters follow in the order as used. It will be

noted that the first letter calls attention to the account in an emphatic manner; the second appeals to the debtor's honesty; the third to his pride; the fourth to his caution, and the fifth to the same emotion, but in a more urgent and final manner, and also to the emotion of shame.

Dear Sir:—

What about that claim for \$..... of .....  
.....? He assured us the account was correct and also added that **YOU WERE ON THE SQUARE**, and would call and pay as soon as you got notice from our office.

Now **WHAT'S WRONG—THE BILL, OR YOU?** We want to know, and by return mail.

Very truly,

Dear Sir:—

We wrote you a week ago.

We stated that an account had been placed in our office against you **FOR PAYMENT**.

We expected a reply and.....  
.....expected the \$..... due him.

When **YOU WANTED CREDIT** you went to him and **YOU GOT IT**.

Now he wants his money.

What are you going to do about it?....  
This is your chance to show that you are on the square.

**WILL YOU TAKE IT?**

**IT'S UP TO YOU** and we expect an answer **INSIDE OF A WEEK**.

Yours for a square deal,

Dear Sir:—

Why don't you call, arrange and pay that bill of ..... for \$.....?

Meeting your bills is a **TEST** you can't avoid, but must pass to get **UP** in the world. That **TEST** is put to every man. Men who pass the **TEST** make good. **WHY DON'T YOU?**

Not situated like you? Most men have been. They didn't sneak around corners to keep from meeting creditors. **THEY FACED THEM AND ARRANGED AND PAID THEIR DEBTS.**

They had to meet the **TEST**, earn a living and not depend on the grocer, doctor and others **TO KEEP THEM** before they were admitted to be **REAL MEN, NOT WEAKLINGS.**

**SO DO YOU.** Take it from us, the **SECRET** of **SUCCESS** of those you envy is they stood the **TEST**. Asking you to pay, we offer you a chance to begin to build a reputation that **YOU PAY**. To stand a real man among men.

"His word is as good as his bond." Can that be said of you? It can be said of men who stand the **TEST**. Why not of **YOU**? Can't **YOU** stand the **TEST**?

The first part of the **TEST** is to call and arrange.

The second part is to pay.

**CAN'T YOU STAND THE TEST?**

Respectfully,

Dear Sir:—

You may be hard up financially. That is no reason for not paying or arranging to pay an honest debt. In fact that is the very reason you should. The chances are that the cause of your financial trouble is that you have not met your obligations when you could, certainly not when you should. If that is the case you can depend upon it that you will never be in any better fix until you build up a reputation for paying your bills.

That is the first step towards success for any man and you can bank on it that you are no exception. No man ever did or ever will succeed in any other way. It's the credit standing, the good credit standing of the men engaged in business that makes possible nine-tenths of the business transactions of this country.

It's as plain as the nose on your face that if you haven't credit standing that you haven't one chance in ten of succeeding as compared with the



man who has. In again presenting the claim of .....for \$...... for payment we offer you an opportunity to pay and uphold your credit standing. Will you do it? Or do you prefer the damage to your credit standing which necessarily follows being dragged into court by a constable with a summons to force a settlement?

We expect an answer in seven days. If we don't get it, you can expect to hear from us.

Yours truly,

Dear Sir:—

Credit standing is a man's reputation for meeting his obligations. No man can have credit standing unless he pays his bills. Credit standing for the poor man is like cash to the rich man. It enables him to get what he wants when he wants it.

You have a credit standing that has an actual cash value. It alone enabled you to get \$...... worth of merchandise from..... The account is at our office. Will you pay it? That much ahead if you don't? No, that much and possibly ten times that much behind.

Pay and your credit standing will enable you to get as much of him. That is all the cash will get.

Pay and you increase the value of your credit standing. You want to buy of another merchant. You refer to him. He says you pay. Then you can get as much of another merchant.

Your credit standing upheld, you soon can get as much from each of a dozen merchants. We can't deprive you of your credit standing. You can soon get rid of it yourself by not paying your honest debts. We believe this is an honest debt. It was so represented to us. You have had several letters from us. We have had no denial. No denial is practically an admission.

See here, do you intend to pay? Or have you determined, by your neglect to pay this account, to make it the first step towards destroying that credit standing which enables you to get, when you haven't a dollar in your pocket, what you need, when you need it?

We expect an answer to this letter in seven days.

Yours truly,

## Chapter XXV.

### First Letters.

From many sources we have received a large mass of collection letters and forms. We have gone over this material with painstaking care, and have selected from it the very best. We present them in this section, supplementing the letters with explanatory remarks where necessary.

The letter which follows is number one of an agency series, and is commendable for its conciseness. It takes the stand that the account in question has been overlooked and that the mere calling of it to the debtor's attention will result in payment. The agency which submitted this form reports that its use has resulted in a large number of replies and has frequently brought the money at once. It works especially well where the accounts are recent. There is absolutely nothing in it to which the debtor may take exception.

Dear Sir:—

There has been placed in our hands for collection a bill of \$..... which is still open on the books of.....

We presume this account is correct, but has simply been overlooked by you, and we would therefore courteously but urgently call your attention to the matter, and shall expect to hear from you by return mail, making some arrangement for its early liquidation.

Yours very truly,

(Submitted by the R. H. Doremus Co., East Orange, N. J.)

This is another good form, along the same general lines as that which precedes:

Dear Sir:—

A claim against you amounting to \$..... has been placed in our hands for collection by ..... of..... with instructions to proceed as is found necessary.

We presume that this overdue account is the result of either forgetfulness on your part or of some misunderstanding, and request that you arrange the matter with us at once.

Kindly give this your prompt attention, thus saving us the trouble and you the annoyance and publicity of further action.

Yours truly,

The agency which submitted the following states that it is the best they ever used. We consider it a good form, combining strength and brevity.

Dear Friend:—

An account against you amounting to \$..... has been placed in our hands by .....

**HAVE YOU ANY VALID REASON FOR NOT WANTING TO SETTLE AT ONCE?**

We have special instructions not to use severe or aggressive measures to collect until we have first given you an opportunity of paying this claim.

In justice to yourself you should not allow this matter to proceed further, but advise our office at once, either by mail or in person, just what arrangements you will make for the adjustment of this account. We are enclosing you return envelope for this purpose, and expect to hear from you by return mail.

Yours respectfully,

(Submitted by Business Men's Credit Service,  
Lima, Ohio.)

This letter is based throughout on a friendly spirit which cannot help but appeal to the debtor. A letter of this nature is valuable chiefly in the collection of small accounts.

Dear Sir:—

I respectfully call your attention to the above account which is now in my hands. At this time, money may be scarce with you, perhaps lack of work or sickness has caused you to get behind with your bills, so that you have not been able to settle this account. Should there be any error in this account, kindly write me and I will endeavor to have it made right. I ask you in a friendly way, will you kindly send me 25 cents or more each week on this account, and I will mail you receipts for each payment. You can send it by two cent postage stamps. If you cannot pay me the cash now, but can a little later, let me know the date, and I will carry this account for you. I will treat you as I would want you to treat me. Please answer. Address all letters and make all money orders payable to (name of agency and address).

Yours truly,

This is the best letter ever tried out by the contributor on business men or people who are educated. With very few exceptions it brought the returns.

Dear Sir:—

Among the many accounts in this office for collection, we find yours with .....

We do not know whether there is an error in this account, whether it is a matter which has been overlooked, or if you have simply been unable to meet it. We request that you let us know about this so we may get the matter definitely adjusted.

Kindly let us hear from you. Thanking you in advance for an early reply, we remain,

Yours respectfully,

(Submitted by the Hyde Mercantile & Realty Co., Holyoke, Mass.)

This letter is described as being used with very good effect on the middle classes.

Dear Sir:—

There has been placed in our hands for immediate collection a claim against you amounting to \$..... due.....

We are informed that this is a valid claim which should have been paid some time ago. Possibly the delay in payment is due to an oversight on your part.

For this reason we will delay taking active steps in the matter for a few days. By prompt attention to the settlement of this account you will justify us in not adding your name to our list, as one of those we report to our merchants every month, as being slow pay, thus giving you a much better rating than would otherwise be possible.

We do not wish to do you any injustice, and trust you appreciate our fairness in presenting the matter to you in this way.

Let us hear from you with a remittance at once.

Yours respectfully,

(Submitted by the Hyde Mercantile Agency,  
Holyoke, Mass.)

Another first letter which is used for the better class of debtors.

Dear Sir:—

Your delinquent account with.....  
has been placed in our hands. The amount is  
\$.....

This is no doubt an oversight on your part, and we trust you will immediately arrange for payment.

If it is absolutely impossible for you to pay the claim this week, please notify us to that effect by return mail.

If you can send prompt remittance in settlement, it will be much appreciated, and it will then not be necessary for us to bother you further.

Thanking you in advance, we remain,

Yours respectfully,

(Submitted by the Peerless Mercantile Agency,  
Norristown, Pa.)

First letters to out-of-town and local debtors from the same source. It will be noted that the writer makes use of a form of salutation which has been

found practicable by various users of large quantities of multigraphed letters. It saves the work of filling in the name and address.

(To out-of-town debtor:)

From C. H. Atwater,  
Ithaca, N. Y.

Dear Sir:—

The account on the enclosed statement has perhaps been overlooked by you, though it is long past due.

Your creditor has sent you a number of statements (which have not been returned) though it is possible that they may not have reached you, owing to your change of address.

Why not write us candidly your reasons for the delay in settlement as your creditor considers you have had ample time to make good and it is now up to you to show that you mean to meet your obligations.

I believe you mean to be on the square in this matter, which is the reason I am writing you personally, and trust you will appreciate our fairness in presenting it to you this way. From what I can learn of your character I am sure you do not want to leave a poor record behind you, but rather make an amicable settlement with us.

We are a sort of a clearing house between the debtor and creditor. If there is an error on either side, we adjust it and get an amicable settlement wherever possible.

If the bill is correct it will be to your advantage to remit the amount due by return post, before it is sent to our collection department.

Yours very truly,

(Submitted by C. H. Atwater, Ithaca, N. Y.)

(To local debtor:)

From C. H. Atwater, Mgr.  
Ithaca, N. Y.

Dear Sir:—

The enclosed statement shows an account that is long past due which for some unknown reason you have failed to adjust.

I want to get in touch with you to discover why you have delayed a settlement of this mat-

ter, as your creditor considers that you have had ample time to make good and it is now up to you to show him that you are honest and honorable in your dealings.

Believing you mean to do the square thing, I am writing you personally to give you the opportunity to square yourself, before resorting to legal procedure, which is certainly justified by a continued indifference on your part.

There appears to me to be no reason why you cannot pay this claim (or part of it) now, or make definite arrangements regarding it. I ask and insist that you do this at once and will expect an answer within a week. This account is to be paid to me only.

Yours very truly,

(Submitted by C. H. Atwater, Ithaca, N. Y.)

Following are two letters and one printed form, first of the series in each case, which intimate the use of legal action. While these letters have brought good results, we do not advise the mention of court proceedings in the first letter, unless the accounts are of a desperate character.

Name..... Address.....

Date.....

Dear Sir:—

A long standing account against you of \$..... has been placed in our hands for immediate collection by.....of.....

Our thorough knowledge and application of legal enactments permit us to satisfactorily adjust the accounts of our clients as we urge every claim to a full settlement or demand from the debtor a valid reason why there should be default in payment.

Believing that you prefer an amicable adjustment of this account without further trouble or costs, we urge you to arrange a settlement not later than.....

Respectfully,

Make all settlements with..... to whom you are indebted and he will advise us to cease action.

Dear Sir:—

Your indebtedness of \$..... for merchandise purchased of the.....has been placed in our hands for collection. They have informed us that the account is long past due, and that you do not show any evidence of willingness to pay same.

In justice to yourself you should not allow this matter to proceed further. By advising them immediately of your intention to pay the claim, you may be able to save yourself the possible cost and annoyance of any legal process.

If you fail to do this, it shall become necessary for us to bring the matter to an immediate issue. Such a step is bound to be a matter of regret in any instance, and before taking other steps to make this collection, this appeal is made to you; to kindly pay this debt at once, or at least frankly state to the.....when you can do so; and in that way show them that you are in reality as honorable as it was thought you were when this credit was given you.

Respectfully,

Dear Sir:—

An account against you as per statement above has been placed in my hands for collection, with the information that you have paid no attention to demands for settlement.

I am forced to put the matter squarely up to you, and wish to say, that unless I hear from you within 10 days from the date of this letter, with the amount of this bill enclosed, my instructions are of such a nature that extra costs will be added.

You now know what you are required to do and I hope that you consider your credit of sufficient importance, to settle while you have an opportunity to do so without being brought into court.

I shall expect to hear from you.

Yours respectfully,

(Submitted by Charles A. Grant, Thomas, Okla.)



## Chapter XXVI.

## Second Letters.

This second letter follows the first from the same contributor in the preceding chapter. Its contents are along the same line of collection reasoning.

Dear Sir:—

We are surprised to learn that you have failed to reply to our recent letter in which your attention was called to the account of \$.....

If we do not hear from you within the next few days, we shall conclude that you acknowledge the debt, but refuse payment, which will compel us to pursue our usual methods in dealing with such cases.

Trusting you will avoid further action on our part by calling, or writing, at once and perfecting its honorable adjustment, we are,

Yours very truly,

(Submitted by the R. H. Doremus Co., East Orange, N. J.)

The printed form shown here follows the number one form from the same agency in the preceding chapter.

Name..... Address.....

Date.....

Dear Sir:—

Some days ago we gave you notice of a claim against you for \$.....placed in our hands by M.....which is reported to us as still unpaid, thereby augmenting the risk of legal costs. While not desirous of forcing claims against those who will pay, by resorting to extreme measures, yet we must insist upon a speedy settlement of this account. Therefore,

we extend the time to.....  
 When, if still unpaid, we can at once institute legal proceedings to obtain judgment against you, after which you may be summoned for personal examination before the court. By giving this your prompt attention you may avoid the publicity and expense of forcing payment through the courts.

Respectfully,

Make all settlements with.....  
 to whom you are indebted and he will advise us to cease action.

This form is stamped on a 3x5 card.

## SECOND REQUEST

**A payment should have been made  
 on your account Three days ago.  
 Do not fail to make this payment  
 tomorrow.**

(Submitted by the Mercantile Adjustment Co., New Haven, Conn.)

This letter is well written and its contents are good. Its extreme length, however, is one point against its thorough effectiveness. At the top a file number is typed, and at the bottom is rubber-stamped this matter: "To avoid mistakes in answering, kindly quote the number at top of page, or reply on back of this letter." This is calculated to impress the recipient with its importance, and will insure more than ordinary attention.

Dear Sir:—

A few days ago we called your attention to the claim of.....which is in our hands for collection. We have attributed non-payment of this sum to oversight or neglect rather than to any intention on your part to evade payment; and we are considerably surprised at the receipt of a report from your Cred-

itor advising us that you have neither paid or made any satisfactory arrangements for paying.

We can hardly believe it possible that our confidence in your good intentions is misplaced and that you would wilfully attempt to evade paying a just claim. Your Creditor did you a kindness in extending credit to you, and has been both patient and lenient in awaiting pay; and, instead of requiring security from you, relied upon your honor and integrity. Now, how are you repaying this confidence and kindness?—by ignoring the matter and making it necessary to employ extraordinary means to secure a settlement.

We are not unreasonable when we ask that you make prompt and satisfactory settlement of this claim. If you cannot pay all of it at once, we have no doubt that your Creditor will allow you to pay it in installments. Try it.

As an evidence of your good faith and of your intention and desire to do what is just, right, and honorable, we shall expect you to make a payment upon receiving this letter.

Very respectfully yours,

The two following letters are a good deal along the same lines. They make an appeal to the debtor's sense of fair dealing, and close with an intimation of stronger action, the first mentioning suit and the second in connection with credit.

Dear Sir:—

On.....we called your attention to the claim placed in our hands for collection against you amounting to \$.....by.....

Your creditor placed a great deal of confidence in you in extending credit when you needed it. As a matter of business principle and in consideration of the confidence reposed in you, you should, by all means, reciprocate the courtesy.

I advise you, in all kindness, to make the best arrangement with us which you possibly can, without a moment's delay. It seems to us that this matter must have been overlooked, as we have been informed of your high standing in your community for the prompt payment of your bills.

It is not our desire to mislead anyone relative to our action concerning a just debt, but we are confident that if you fully understand how much this small claim may cost you you will remit the amount to us without delay to save us the displeasure incident to bringing suit against you.

We thank you in advance for giving this matter your early attention and trust to receive a prompt response.

Yours respectfully,

(Submitted by the American Mercantile Agency,  
Moline, Ill.)

Dear Sir:—

We have failed to hear from you in reference to the claim of \$.....due..... now in our hands for collection against you. Although we wrote you some time ago regarding this matter, you have made absolutely no arrangement with us for its amicable adjustment. Do you think you are giving our client a fair deal by your failure to adjust an honest claim or your apparent negligence in not answering our former letter? If you are not in a position to pay the full amount, you should at least make satisfactory arrangements with us for a final adjustment of same. This is your chance to show that you are on the square. Will you take it?

We trust that you will not compel us to again remind you of this matter, and that you will send your remittance covering the amount involved in enclosed envelope by Post Office or Express Order, payable to THE ASTORIA MERCANTILE AGENCY, who will forward you a receipt canceling the claim from the agency's records.

Yours respectfully,

P. S.—We have not yet entered the account on our BAD DEBT record. We hold it back a few days to give you a chance to settle.

(Submitted by the Astoria Mercantile Agency,  
Long Island City, N. Y.)

## Chapter XXVII.

### Third and Fourth Letters.

As a rule, there is no great difference in the collection principles applied in the third and fourth letters. Because of that fact, we consider it advisable to group in one chapter third and fourth letters. It is recognized that these letters should be of a much more urgent nature than the second, but the degree of urgency must depend absolutely upon the conditions and the nature of the accounts.

The first sample noted in this paragraph has been very successful in both replies and remittances.

Dear Sir:—

If you asked a question of a man you would expect an answer, would you not?

We have repeatedly requested a reply to our communications regarding claim against you placed in our hands.

You are doing yourself an injustice by ignoring our requests. For a statement of your intentions in this matter would find us ready and willing to aid you in its settlement.

If you continue to ignore our communications as you have you will render it necessary that we resort to legal proceedings to secure the payment of this account.

A statement of your honest intentions in this matter will save you annoyance of further reminders from us and the necessity of such a suit.

Let us hear from you at once.

Yours respectfully,

Submitted by the McClellan Mercantile Agency,  
Newark, N. J.)

This is a printed form, the body of the letter being in typewritten form. The paragraphs headed "Facts for Consideration," and the Statement, which is a part of the letter, are two good features.

Dear Sir:—

We notified you some time ago of an account placed in our hands for collection, as per statement below. Are you doing right in withholding payment and offering no excuse for so doing? Place yourself in the position of your creditor; would you consider that you were being justly and fairly treated? You have had value received, and the claim is, therefore, a just one in every sense of the word. Now, unless you show a desire to pay the amount at once, or make definite arrangements to do so at an early date, we shall be compelled to act in accordance with the instructions from our client; and if we do this, and place the claim in the hands of our correspondents, they will collect with costs.

The client we represent is anxious that we should follow instructions at once, but, as your case may be entitled to further consideration, we shall delay proceedings a few days to enable you to settle without incurring additional expense, as will be the case should the matter get out of our hands. We trust that you will give this your immediate attention in the envelope enclosed.

Yours respectfully,

The following is used as a fourth letter to the "middle classes." It is well written and well worded and calculated to bring a response from the average debtor of the class for whom it is intended. It is much too long for ordinary use, however.

Dear Sir:—

Several urgent letters have been sent you in relation to the claim we hold for collection against you in favor of..... amounting to \$..... The fact that they have not been returned to us would indicate that you must have received them. It is reported to us that you are in a position to have paid this account long ago. Is this true?

Are you doing justice to your creditor in withholding payment and offering no excuse?

Surely you do not wish to be looked upon as an object of charity, or one who is making no effort to pay his debts. Such terms may seem harsh to you, but how else will you be regarded by honest people to whom your default will become known? To obtain goods or service on a promise to pay and to then ignore that promise and all requests for settlement must be taken as indicating that the party so acting is indifferent to the maintenance of a good reputation and is willing to be classed as a person who makes no effort to meet his honest obligations. Are we to so construe your silence?

If you were in your creditor's place would you feel that you were being justly and fairly treated? Would you not, after waiting till patience had ceased to be a virtue, give the account to a collection agency with instructions to employ any measures, however drastic, and if debtor still failed to pay that his name be entered up with appropriate ratings for the protection of others who might be asked to extend credit in the future? Would you not expect the agency to whom you gave the matter to use all lawful means of getting the money, going to the people where debtor deals to find out how they collect, making application to the debtor's employer, to his relatives, lodge or church connections if necessary, in order to get what was rightfully yours? We dislike to go to such extreme measures until we are certain that the debtor is of a sort not entitled to any consideration. Possibly our former letters may not have reached you. We will wait a few days (only a few) in hopes that a reply will be received showing that you intend to deal honorably and squarely about this debt.

A remittance at once will stop further proceedings now in preparation.

Yours respectfully,

(Submitted by the Hyde Mercantile Agency,  
Holyoke, Mass.)

The letter which follows is a good one and can be

recommended for almost any collection follow-up system.

Dear Sir:—

It is now over three months since we first wrote you concerning the claim of \$9.00 that .....placed with us to collect from you; but although this claim was of long standing before being sent to us, and although we have offered you very easy terms you have not as yet paid anything on it or made satisfactory or definite proposition for paying.

We cannot understand why you neglect this matter as you have been doing, for you certainly desire to bear the reputation of being honest, upright and worthy of credit and confidence, and you must surely realize that you cannot have such a reputation except by keeping your promises and paying your bills as they mature. You are so situated that you must ask credit from time to time and how can you expect credit to be granted you as long as you do not pay your debts? Look at this matter in its true light and you must conclude that your own best interests demand that you make a payment without further delay.

We will expect a remittance from you by return mail.

Respectfully,

Used by the writer in cases where it is considered that a harsh note is necessary to get action from a debtor who is classed as a "dead-beat."

Dear Sir:—

We haven't had a payment on that account.

No, not even a word from you in regard to it. If you didn't owe it, didn't owe every cent of it, we surely would have heard from you.

The account of.....for \$..... Everyone respects the man who makes an honest effort to meet his obligations. The man who makes no effort to meet a just debt deserves and receives no more respect than the man who deliberately starts out to beat every bill he can.

It doesn't look like a man had much self-respect, who makes no voluntary effort to pay an



account when presented but waits until he is compelled to dig up the cash by an action in court.

Is this what you are waiting for? We hold this account seven days longer to hear from you.

Very truly,

(Submitted by the Stanley Mercantile Agency,  
Los Angeles, Calif.)

Third and fourth letters, respectively, in use by the same agency:

Dear Sir:—

You don't like to get dunning letters.

We don't like to send them to you.

Already we have written you a number of times regarding the account we have here for collection against you. That's too much, isn't it? Too much bother for you—too much bother for us to get what rightfully belongs to our client.

Of course, you are going to pay this account soon—but if you please, we'll take the money now as the account is long past due.

Now do the SQUARE THING. Don't let this letter get out of your hands until you have decided that the RIGHT THING is to call or write this office and advise us just what you expect to do, so that we will not be put to the unpleasant necessity of cutting you from our list of those who are entitled to credit accommodations.

Yours very truly,

(Submitted by Business Men's Credit Service,  
Lima, O.)

Dear Sir:—

We have written you a number of times regarding your indebtedness to our client, but without result.

You don't want to force us to write your friends in this matter. It would be embarrassing to you. But we must know why you pay no attention to our letters—we must find out something regarding your work and your financial condition, that we may know just what the chances are of your paying this account. You

will compel us to ask your references and friends to get this information unless you give us a definite date when you will take up this matter.

We will wait FIVE days for your answer before subjecting you to treatment which seems to us rather severe, considering the amount of your obligation.

Won't you tell us if there is any reason why you should not pay this account?

Yours very truly,

(Submitted by Business Men's Credit Service,  
Lima, O.)

This is a very good fourth letter of a series of short letters.

What about that claim for \$....of.....  
He assured us the account was correct and also added that you were on the square, and would call and pay as soon as you got notice from our office.

Now what's wrong, the bill or you?

We want to know, and by return mail.

Very truly,

(Submitted by the Stanley Mercantile Agency,  
Los Angeles, Calif.)

The last letter of this chapter, shown herewith, is used in an agency's system after three or four letters have been written to the debtor without any result. From every point of view we consider it an especially good form.

Dear Sir:—

We have written you three or four letters regarding your indebtedness to..... amounting to \$.....

For some reason you have not extended proper business courtesy to reply, and our client has not advised us that you have either made a payment or taken the matter up with him in any manner.

Don't you think you are giving..... rather unreasonable treatment, especially after you have received the favor of credit?

If you are unable to pay the bill now, or to make a small payment on it, do you not think it would be much better to call and see us and explain conditions? This would show that you wished to be honest and your record for credit would be much higher than when you make no effort whatever, and compel people to think you are deliberately trying to evade payment.

Can't you make a payment on this bill, or call at once to see your creditor and explain matters?

We hope you will not neglect it, which will relieve us of further troubling you.

Yours truly,

(Submitted by the Western Mercantile Agency,  
Colorado Springs, Colo.)

## Chapter XXVIII.

### Last Follow-Up Letters Before Suit.

We list in this section four letters which are sent out by agencies which take the form of a final notification before starting legal action. The Canadian letter, which is the last, will strike the reader as being considerably milder than the others. The Canadian agency sends it out by registered post, which their records show brings better returns than when mailed in the ordinary manner.

Dear Sir:—

Our legal department has reached the place where it seems best for the law to take its course, but I am a member of the firm and desire to make a personal appeal to you; I do not desire that you be compelled to pay costs, or that your name should appear on a black list, for such would stand against you for all time to come; and cause you to hang your head in shame when some groceryman would look you in the face and say, "I'm sorry you owe others and not only refused to pay them, but simply ignored their appeals, and when your account later was handed to some collection agency for collection, you did not have the business courtesy to answer their communications. Can you in the face of such a report expect me to credit you?"

You can be an honest man or not, just as you choose; why not be an honest man? It means much more to you than the few paltry dollars that this small account calls for! "Stand erect" and shake off this feeling of dishonesty that is trying to make you believe that you can afford to be such.

Answer at once stating what would be the very best amount you could pay per week.

Yours respectfully,  
(Submitted by the Coleman Mercantile Agency,  
Indianapolis, Ind.)

Dear Sir:—

As yet, we have received no reply to our former notices sent you in regard to the claim placed in our hands for collection, in favor of our client, as stated below. who extended this courtesy to you, fully believing that you would appreciate the favor by promptly paying the same.

You are doubtless aware of the fact, Mr. ...., that the merchants all over this country, have effected an organization for self-protection, through which, the standing, or rating, of their customers is given, and when a man refuses to pay a just claim, his name is passed around among the members of the association. Surely, Mr. ...., you are not willing to permit your business credit and good standing in your community to be ruined by still refusing to pay this just claim.

Our instructions are to push this matter to a successful conclusion, and unless you adjust this claim within TEN DAYS from this date, we shall enter suit to enforce collection. This notice is final.

.....Client

vs.

.....Debtor

Very truly yours,

(Submitted by Henry Adjustment and Rating  
Agency, Waynetown, Ind.)

Dear Sir:—

Concerning your account in favor of..... amounting to \$...., we have to advise that our client is desirous of bringing this matter to an immediate issue and we are instructed to take action against you at once.

The claim has been placed in the hands of our Law Department for attention. However, we

do not wish to burden you with the payment of court costs and interest in addition to what you now owe and have, therefore, requested this Department to wait until next.....before taking further action. In the meantime you can send us a remittance in payment of the account. This will stop further proceedings.

Immediately upon obtaining judgment, execution will be issued against you and a levy made on your property; if none is found, our attorneys will collect with costs from your wages from your employer.

To avoid unnecessary costs and publicity you should act on this matter before..... evening of this (next) week.

Yours respectfully,

(Submitted by the Aetna Mercantile Agency,  
Brooklyn, N. Y.)

Dear Sir:—

re acct. Dr. ....

We have no answer to our letters.

You surely do not realize the position you are placing yourself in by your continued neglect of this matter, and we want to tell you frankly where you stand before taking other means to make this collection.

We do not wish to think you desire to establish a reputation for yourself in this city as one who will not try to settle his just debts—you may in the future need credit from some of the merchants' or doctors, and as our records are open to them it might not look favorable to your standing while this matter remains in its present neglected state.

We are willing to do anything in our power to assist you to have it adjusted on a friendly basis, and your very best course would be to come to this office and see us personally at once, or if impossible to do so, to write and state what you will do.

Yours truly,

(Submitted by Canadian Bureau of Credits,  
London, Ont.)

## Chapter XXIX.

### Suit Notices.

The first under this heading is the Final Notice form of The American Collection Service course. It is used in the same general form and contents by practically all the members of the Co-operative Bureau of The American Collection Service, and has proved beyond all question the most profitable collection form ever devised. One Co-operative Bureau member states that he has tried every form of suit notice he could ever get hold of, only to return to the Final Notice as the very best. It is usually used in two colors, the heading, border and agency notation at the bottom being in red, with the body in black. The best size is 14 inches by 8¼ inches.

#### FINAL NOTICE BEFORE SUIT

State of Michigan	}	ss.
County of Genesee		
.....Creditor		
vs.		FINAL NOTICE
.....Debtor		

To the above named Debtor,

FIRST: You will please take notice that the above named Creditor claims that you are indebted to.....in the sum of..... Dollars, for .....

SECOND: Although duly demanded, the same has not been paid, nor any part thereof,

save and except the sum of.....  
Dollars.

THIRD: Now, therefore, unless you remit or appear at this office.....  
on or before the.....day of.....  
A. D.....at.....o'clock P. M. of said day,  
for payment of said claim, with interest thereon at the rate of.....per cent per annum from the date of maturity, or make provisions for adjustment thereof, suit will forthwith be brought for the total amount with interest, together with the costs and disbursements of the action.

Dated at Flint, this.... day of.....

.....  
For the above creditor.

Check or Money Order should be sent at once to The Blank Mercantile Agency, fifth floor, 110 Bay Street, Flint, Mich.

The following is a combination final notice and garnishment form. The body is based on the Final Notice form of The American Collection Service course, and the garnishment portion is taken from the garnishee notice of the same agency, which is shown in another chapter. The agency reports that when it is sent by special delivery or registered mail the results are almost astonishing. Its size is eleven inches wide by eight and one-half inches high.



## LEGAL RECORD.

VS.

Court Docket Page

Legal Notification

Date Sheriff's Notice

Date Serving Writ

Writ Returnable

Name of Court Judge

Am't Claimed

Date of Judgment

It is the wisest thing a debtor can do to settle without suit. Delay or inattention will probably result in the debtor being summoned into court, loss of time, absence from his place of business, a possible loss of his situation and eventually enforced payment at much greater cost than if the claim is settled without suit.

## NOTICE.

All payments must be made direct to this office as power to stop proceedings is entirely in our hands.

STATE OF MASSACHUSETTS, } SS  
COUNTY OF HAMPSHIRE.FROM THE  
LEGAL DEPARTMENT  
THE HYDE MERCANTILE & REALTY CO.

HOLYOKE, MASS.

To account with

ORIGINAL NOTICE  
BEFORE SUIT

## To the above named debtor:

FIRST: You will take notice that the above named creditor claims that you are indebted in the

sum of

DOLLARS.

SECOND: That although duly demanded, the said has not been paid or any part thereof.

THIRD: NOW THEREFORE, unless you remit or appear at our office, 510-511 Realty Trust Building, in the City of Holyoke, County and State aforesaid, on or before 4 o'clock of the afternoon of the day of A. D. 191 and make payment of said claim or arrange for payment thereof, suit will be commenced between and presented to a finish for the account in full, plus interest to date at 6 per cent. and court costs and disbursements, by levy on your property or assets or garnishee proceedings.

## INSTRUCTIONS FOR FURTHER PROCEDURE.

FIRST—Serve Captioned Notice on debtor's bank, employer or party holding debtor's credits.

SECOND—Debtor's dishonest act to evade or thwart garnishment constitutes fraud; then no exceptions exist.

THIRD—Join issue with bank, employer or party holding debtor's credits. Compel books and records to be brought into court.

Check or Money Order should be sent At Once to

Legal Department of

The Hyde Mercantile &amp; Realty Co., Bonded.

510-511 Realty Trust Building,

HOLYOKE, MASS.

A. PHILIP HYDE, TREAS.

Suit will be started through our Bonded Attorney for

County, State of

The regular Final Notice form of The American Collection Service course is used by another agency with two changes. This matter is carried at the top:

**COMMONWEALTH OF MASSACHUSETTS**  
**Final Notice Before Suit.**

.....  
**vs.**                      **Assumpsit    Hampden, SS.**  
 .....

This phrase is printed at the bottom in bold-face type:

**NOTICE: Power to stop proceedings is now entirely in our hands, and all payments must be made to this office.**

**(Submitted by the Beacon Adjustment Co.,  
 Springfield, Mass.)**

This form, entitled "Legal Demand," is used with very good results on business received through forwarders:

**LEGAL DEMAND**

**It is hereby demanded that you forthwith liquidate your indebtedness of \$.....in favor of .....with this office in five days, otherwise the matter will be placed with the Information and Recovery Department, investigation made, and steps taken for enforcement by legal process, garnishee, or other proceedings authorized by law.**

**Take This Notice to  
 THE ASTORIA MERCANTILE AGENCY  
 699 Second Avenue,  
 Long Island City, N. Y.**

**(Submitted by the Astoria Mercantile Agency,  
 Long Island City, N. Y.)**

The following form seeks to direct payment to the client rather than to the agency. It also carries a stub for use as an office record.

**Our Courts ask no favors of delinquents and  
grant none.**

No responsible man will allow, and a poor man cannot afford, to have judgment and costs returned against him.

The proper time to make defense or settle an account is before the case gets into court. When once judgment is entered defenses are barred.

Wages of employees will be garnisheed without delay and all other legal remedies will be exhausted in the collection of claims.

**If this claim is not settled promptly  
our clients will advise us at once.**

M.....

Date.....190..

Dear Sir:—

Some days ago we gave you notice of a claim against you for \$.....placed in our hands by Mr.....which is reported to us as still unpaid, thereby augmenting the risk of legal costs. While not desirous of forcing claims against those who will pay, without resorting to extreme measures, yet we must insist upon a speedy settlement of this account. Therefore, we extend the time to.....when, if still unpaid, we can at once institute legal proceedings to obtain judgment against you, after which you may be summoned for personal examination before the court. By giving this your prompt attention you may avoid the publicity and expense of forcing payment through the courts.

**BLANK ADJUSTMENT CO. (L. S.)**

Make all settlements with Mr.....  
to whom you are indebted, and he will advise us to cease action.

The short form shown herewith is an especially good one because of its boldness, extreme brevity and the space allowed for a notation as to the amount of the account. This also carries a perforated stub or office record.

When sent.....19.. Time expires.....19..

Name .....

Amount..... When paid.....

**Court.**

**Demand for Non-Payment of Debt**

**Against**

**C**

**Final Notice.**

Whereas, DEFAULT IN PAYMENT has been made of \$. . . . . and . . . . . cents, being the amount of a claim held against you by the above mentioned party, you are hereby notified that unless this account is satisfactorily settled within . . . . . DAYS, we are authorized to immediately begin legal proceedings to collect the same.

Dated this . . . . . day	Original debt, \$. . . . .
of . . . . . 19..	Interest, \$. . . . .
	Total \$. . . . .

**BLANK CREDITORS AGENCY.**

P. S.—If you prefer a settlement with . . . . .  
 . . . . . take this notice with you  
 and we will be advised to cease action.

This form is sent a few days after the final notice of suit, if nothing has been heard from the debtor. It takes the stand that through one reason or another the debtor might have failed to receive the notice, and that the matter is so important that further time is allowed, as the agency wants to be more than fair with the debtor.

Dear Sir:— .....190..

Some days ago you were notified that unless settlement was made by you on the claim of .....of .....for ..... amount being \$.....the claim would be sued. Thinking that perhaps you did not receive the legal notice proceedings will be withheld for five days longer to give you opportunity to make settlement by installments. Should no answer be received from you within time limit, court proceedings will be immediately commenced for the collection of the above claim, as explained in the legal notice. If full or partial payment is made at once, the interest on this account will be waived and no expense made. Your creditor has no desire to cause you any unpleasantness or extra expense in this matter but feels that you can at least call or write and arrange to make weekly or monthly payments. It is now for you to decide whether you wish to avoid a suit and the costs which it will incur, by seeing your creditor at once.

You may send your remittance by Post Office or Express money order payable to your creditor.....and you will receive your creditor's receipt for same. Address all letters to your creditor as this office will receive a report of your payment direct from client.

Respectfully,

## ANSWER AT ONCE.

Another contributor uses the regular Final Notice form, as shown above, with the following note at the bottom:

**Note:—All correspondence and payments must be sent to us, in order to prevent our Attorney from taking immediate action on this claim, but he will likely start suit without further notice to YOU.**

With particularly obstinate cases, where debtors are "dead-beats" or very poor pay, the Final Notice is ac-

accompanied by a letter which explains the reason for bringing suit and which allows a few days longer for settlement. The back of the letter carries a reprint of a newspaper item in reference to the issuance of a credit rating book. The letter and newspaper item follow:

#### **RATING BOOK NOW BEING COMPILED.**

The Collins Mercantile Agency is compiling The Jefferson County Rating Book, which will be of great benefit to the business and professional men of Watertown, and the entire County.

The Collins Mercantile Agency has been in existence for more than a year and has gained a high standing among the business and professional men of the County. It has often been suggested that such a list of all customers of all the stores and professions in the County be published. It will give the financial standing of all customers and clients and their standing with other merchants and professional men. The Guide is not intended as a blacklist, but through secret signs the standing of everyone who patronizes Jefferson County business and professional men will be shown.

The merchants and professional men who have authorized the publication of this book are thoroughly enthused with the idea and have come to the conclusion that such a book is very much needed after consulting the ledger accounts.

It is safe to say that if such a book had been issued several years ago, many thousands of dollars would have been saved to the Jefferson County business and professional men.

The work of compiling the credit list has been an arduous one, requiring many months of work, but is now nearing completion and the book will soon be issued to the subscribers.

(Submitted by The Collins Mercantile Agency,  
Watertown, N. Y.)

In the hard cases mentioned above, the agency uses only these two forms, the notice and the letter, with this result: The recipient thinks that other letters have been sent, and that in his failure to receive them some-

body else has undoubtedly received them and knows how bad his record is for paying debts. In a great many cases they come post-haste to the office and either settle or demur because they have not received the other supposed letters mentioned in the letter shown above. They are satisfied with their understanding that they must have gone astray, and often arrange to pay bills that would not be settled in any other way.

Dear Sir:—

We regret that we are forced to write to you again concerning your indebtedness in favor of

.....  
We thought we were writing you in the right strain and were doing the correct thing in making an honest effort to bring about a settlement of this claim without any expense and notoriety to you. We are surprised at your attitude and can only conclude that you are looking for trouble to yourself, and that you prefer such rather than fair treatment.

If we must resort to legal proceedings, you know the fault is yours; we assure you that in such event we will make it as warm for you as the law allows. Your common sense will certainly dictate to you that the easiest way is the best, and if one only used good sense, such person will not, as a rule, go very far astray.

We will wait a few days longer before taking this action, hoping that in the meantime you will finally see the folly of your delinquency, and that you will either pay this debt or let us know your reason for not doing so.

We call your attention to these facts, thinking perhaps that you are not quite lost to all fairness and honesty and will pay up. You have, as you well know, had fair warning and there is no one to blame but yourself for the next steps which will be taken in this case. You cannot with impunity longer impose on our clients in such manner as heretofore.

Please give this matter your instant attention.

Yours respectfully,

THE COLLINS MERCANTILE AGENCY.

W. R. Collins, Mgr.

(Submitted by The Collins Mercantile Agency,  
Watertown, N. Y.)

## Chapter XXX.

### Letters to Employers of Debtors.

The basis of the great majority of letters and notices to employers regarding debts owed by their employes is the intimation that garnishment proceedings will be brought against the debtor. It is, of course, clear to the recipient of such a letter, the employer, that he will necessarily be involved in such a proceeding, which must cause him considerable annoyance. This is an appeal to his own interests and seldom fails to cause him to take up the matter with the employe.

The first letter which is shown is a multigraphed form, with blanks ruled off for filling in names, amounts, etc.

TO.....

AT.....

GENTLEMAN:—

It will become necessary to GARNISHEE  
your EMPLOYE,

.....

EMPLOYED AT.....AS.....

INDEBTED TO .....OF .....

FOR

.....

In case we are compelled to GARNISHEE  
said EMPLOYE, it will be compulsory to make  
you a party to the suit. However, we desire to  
save you all trouble, annoyance and expense of  
such proceedings, and therefore we take the lib-



## Letters to Employers of Debtors 149

erty of sending you this notice, as we desire to protect your interests and trust that our action will be appreciated by you.

Any communication on this matter, please address direct to us.

Yours very truly,

(Submitted by Business Men's Credit Service,  
Lima, O.)

The next letter has a particularly commendable point in stating the willingness of the agency to accept partial payments commensurate with debtor's salary. This, more than any other offer, will convince the employer of the fairness of the agency, and in taking it up with his employe he will, of course, mention it. Where a letter of this form is used, it is obvious that the results should be satisfactory in a big percentage of cases, as the money should be secured without the necessity of suit. The latter is to be avoided as much as possible.

Gentlemen:—

Some time ago we had placed in our hands for collection a bill against one of your employes, Mr. H. T. Anthony, amounting to \$6.00, in favor of Dr. James T. Campbell. We understand that you do not countenance your men in the practice of allowing their just debts to run unpaid. Most employers find themselves in a similar position, in reference to the collection of their own accounts and to avoid costs to the employee and the trouble and expense to themselves later from possible garnishment proceedings, require their employees to pay their honest debts. We call the matter to your attention, therefore, that you may mention the matter to the debtor if you see fit. We are always willing to accept any reasonable settlement, and never refuse any such payments that are commensurate with his salary.

Trusting to hear from you at an early date and thanking you in advance for this favor, we are

Yours very truly,

The following letter is used in connection with a

follow-up garnishment notice sent to the debtor. This letter is used for manufacturing companies and incorporated business houses, and its user reports that it seldom fails to bring about the desired results. (The garnishment notice mentioned will be found under the heading, "Garnishment Notices.")

Debtor .....  
 Creditor .....  
 \$. . . . . For .....

Gentlemen:—

The above named debtor in your employ after repeated requests for payment of the above claim without results, has been served with a notice of Garnishee to which no attention has been paid. For this reason six days from date we shall garnishee debtor's wages and consider it no more than fair that you be notified in advance.

We are ready and willing to accept any reasonable terms of settlement if debtor is not in a position to pay all at one time, we will accept the above amount in weekly payments of one dollar each. This would save you the annoyance and the debtor the costs incident to garnishment proceedings. Debtor has been given all the time that could reasonably be expected in which to do the honorable thing regarding this, a just and valid debt, and his creditor now demands that we bring the matter to an issue without further delay.

Thanking you in advance for any effort you may see fit to take in bringing about a settlement without legal proceedings, we remain,

Very truly yours,

(Submitted by The Hyde Mercantile & Realty  
 Co., Holyoke, Mass.)

The letter which follows is good because it presents the point which it desires to make upon the employer in language more diplomatic than is ordinarily used in such situations.

Dear Sir:—

We have had in our hands for some time a claim for collection for \$. . . . against one of your employes (name of debtor and creditor).

We have been unable to the present, to get him to make any kind of arrangement to pay it. We have written to him repeatedly, and also sent our collectors, until we exhausted all means of persuasion. His creditor extended him this favor in the first place because he thought the man would pay.

Now, we don't like to annoy you with this matter, but believing that if we brought it to your attention, you might, perhaps, be willing to use your influence to get him to make some arrangement to pay the debt, something each week if not all at once, and thereby make it unnecessary for us to have to sue him, and add costs for him to pay (which would be just like him throwing that much away), and also save yourself the trouble and annoyance of having to answer repeated garnishments.

We believe that if you can induce him to arrange to settle this in an amicable way, it would be to the mutual advantage of all concerned.

We shall appreciate anything you can do to bring about a peaceable settlement, and will be glad to reciprocate any time we can return the favor.

Yours very truly,

(Submitted by the Mercantile Protective Association, Nashville, Tenn.)

The last letter shown under this head mentions simply the fact of the debt owing by employe, stating that it has been absolutely neglected, and requesting the employer's co-operation in having it settled. The appeal is made strictly on a moral business basis, and carries no intimation of proceedings which will annoy the employer. This form should be used where garnishment proceedings are inadvisable on account of conditions, such as extremely liberal exemptions or where it is known that the employer will resort to

every possible method to outwit garnishment and to give protection which is not deserved to the debtor.

Dear Sir:—

I am informed that you do not permit your employees to run up bills with reputable citizens, and refuse to pay them. Such appears to be the case of Mr.....who is now employed by your company.

There has been placed in our hands for collection, a claim of \$....by Mr.....of..... We have written him several letters in regard to the matter, but he treats them with contempt, although he is aware of his indebtedness to Mr.  
.....

We shall be glad to hear from you in regard to this matter at your earliest convenience.

Very respectfully yours,

(Submitted by The Douglas Claim Adjustment  
Company, Washington, D. C.)

## Chapter XXXI.

### Garnishee Notices.

A collection agency form that has been responsible for more collections, doubtless, than any single agency form ever used, is the Garnishee Demand form below.

This form was designed by an imaginative collection genius now dead, who secured the idea of combining the statutory Illinois regulation (of serving both on employer and employee a formal demand) with a more elaborate and impressive form that embraced the statutory notice in a more impressive dress.

This form was first used by a Chicago collection agency about fifteen years ago, and the original notice, printed in two colors, was copied, with various changes, by hundreds of Illinois agencies. Literally millions of this form have been used with success, resulting in the collection of thousands of dollars a month through it alone. The various garnishee notices now in use throughout the country are simple imitations of it, in some form or other. Most of them, lacking the legal significance of such forms used in the State of Illinois, are of questionable value, and in many states of questionable safety.

The law in relation to garnishments in Illinois makes necessary a service of a demand five days prior to the issuance of an actual garnishee summons, in order that the employee may pay the account without being forced to stand the extra costs of garnishment. Being a regulation procedure, there can be no objection by the postal authorities to its use, which makes its em-

ployment both regular and profitable. In many other states the use of such a form through the mails is thus seen to be questionable and is not permitted by the postal authorities.

In most states an action in garnishment must be predicated on a judgment, and in such states the use of such a notice is restricted to cases where actual judgments have been obtained. In the State of Michigan, however, a suit in assumpsit and a garnishee action may be started and served together. In the latter state the use of such a notice would save the employee a considerable item in costs, were there a provision in the law making it necessary to serve a garnishee demand before actual suit. Such a law, at the present writing, is being urged, and may become statutory by the time this book is printed. Before employing the garnishee demand, legal advice should be secured by the agency who contemplates its employment through the mails, as special state laws make its use not only safe but practically obligatory.

The Illinois form referred to above is as follows:

**NOTICE TO EMPLOYER**—We dislike to annoy you, but unless your employee makes arrangements for settlement, we shall have to garnish weekly and have your books show the standing of his account in court.

State of Illinois } ss

County of Cook }

## Garnishment Demand

**To** .....Employer, and.....

**Wage Earner:** You are hereby notified that said above claimant has a claim against said wage earner for the sum of \$ .....and costs, now due and owing. **THE SHRYER MERCANTILE AGENCY** Suite 603-4, 105 S. Dearborn Street, Chicago, is authorized to accept and receipt for the same.

**In Accordance** with an act of the State of Illinois relating to the garnishment of wages adopted May 11, 1901, in force July 1, 1901, demand is hereby made on you for the payment of the aforesaid claim out of the wages or commissions due or to become due of such wage earner not exempt from garnishment; and you are required to hold the excess of the said wage earners wages or commissions, above his legal exemptions, subject to garnishment, for the period provided in said Act. And you, the said employer are to notify the said wage earner by delivering to him a copy of this notice, left with you for that purpose.

THIS NOTICE HOLDS PAY FOR FIVE DAYS AND IS FOLLOWED BY GARNISHMENT PROCEEDINGS.

Dated this .....day of.....A. D. 191 .....

**THE SHRYER MERCANTILE AGENCY**  
TELEPHONE CENTRAL 5407 105 SO DEARBORN STREET

**NOTICE TO EMPLOYEE**—To ignore the above will be the cause of annoyance to your employer. It is followed by a garnishment and a Subpoena Duces Tecum, compelling your employer to bring all books into court to show your account. You can save this annoyance and yourself further costs by prompt settlement.

The following appears on the back of form:

No.....

## STATE OF ILLINOIS COUNTY OF COOK

VS.

**DEMAND OF GARNISHMENT**  
Served the within notice by delivering  
a copy of the within named

this.....day of.....A. D. 191 .....

(Continued over)

State of Illinois      }  
County of Cook        } ss.

being duly sworn, deposes and says, that on the.....  
day of....., 191....., he served the within notice  
by delivering a copy thereof to the within named.

Subscribed and sworn before me this.....  
day of....., 191.....

Notary Public.

### THE SHRYER MERCANTILE AGENCY

Room 604, 105 So. Dearborn Street

The following garnishment notices are submitted without any particular comment, excepting that their use has been reported as extremely effective. It is always advisable to mention the general garnishment act under which such action and notice are authorized, and include a caution to the debtor.

The first is of value in states where a trustee is allowable on bills of \$10 or over.

#### GARNISHEE NOTICE.

State of Massachusetts.

**M.**.....

Owes \$.....

**Due**.....

Under an act passed by the Massachusetts Legislature, a debtor's wages may be attached for debt and unless all or part of said amount due as stated is paid within SEVEN Days or some satisfactory arrangement made for settlement of said indebtedness, legal measures will be taken to have so much of your personal earnings, with costs, applied towards the payment of same, as provided by Chapter 549 of the compiled laws of 1898, General Court of Massachusetts. If debtor fails to comply with decree after judgment he may be proceeded against as in cases of contempt, and may be compelled to pay large bills for costs or even serve a term of imprisonment.



It is the wisest thing a debtor can do to settle without suit. Delay or inattention will inevitably result in the debtor being summoned into court; loss of time; absence from his place of business; a possible loss of his situation and eventually enforced payment at much greater cost than if the claim is settled without suit.

Send remittance in enclosed envelope payable to

**THE HYDE MERCANTILE & REALTY CO.,**  
510-511 Realty Trust Bldg.,  
Holyoke, Mass.

#### INSTRUCTIONS FOR FURTHER PROCEDURE.

**First:** Serve garnishee notice on debtor's employer or party holding debtor's credits.

**Second:** Debtor's dishonest act to evade or thwart garnishment constitutes fraud; then no exemptions exist.

**Third:** Join issue with employer or party holding debtor's credits. Compel books and records to be brought into court for account.

Submitted by the Hyde Mercantile & Realty Co.,  
Holyoke, Mass.

The user of this notice sends a copy to both debtor and his employer. The personal collectors of this agency also find it effective to send one in to a debtor or leave it at his place of employment when it is difficult to secure a personal interview.

#### **GARNISHEE NOTICE** State of Tennessee

M \_\_\_\_\_

Owes \$ \_\_\_\_\_ To \_\_\_\_\_

Due by \_\_\_\_\_

Under an act passed by the Tennessee Legislature, a debtor's wages may be attached for debt, and unless all or a part of said amount due, as stated above, is paid within.....days, or some satisfactory arrangements made for settlement of said indebtedness, legal measures will be taken to have so much of your personal earnings, with costs, applied towards the payment of same, as provided by Chapter 376, of the acts of the Legislature of the State of Tennessee, passed April 6, 1905, and approved April 13, 1905, relative to proceedings by Garnishment against debtors of the State of Tennessee.

Call here or send payment in the enclosed envelope at once, payable to  
**MERCANTILE PROTECTIVE ASSOCIATION**  
1029-31 Stahlman Building, Nashville, Tenn.  
(Submitted by the Mercantile Protective Assn.,  
Nashville, Tenn.)

## Chapter XXXII.

### Attorneys' Letters and Forms.

The difference between the letters and forms of collection agencies and business houses and those used by attorneys may be stated in a very few words. The collection agency and the merchant base their appeal to their debtor throughout on diplomacy, seeking to maintain the business relation, retain the patronage and to collect the account at the same time, intimating legal measures only as a last resort and when all other efforts have proved fruitless. The attorney, on the other hand, from the very nature of his work, cannot recognize that manifold object. With him the aim is to attempt to get the money, or as much of it as possible, without regard to other considerations. If he uses diplomacy at all, it is generally discarded after the first letter, and his approach throughout to the debtor is stated very plainly—pay your account or stand suit.

In this chapter we will give the reader a number of letters and forms submitted by attorneys, which have been found practicable for their purposes. The first is a short note which has been used with success, as it is found that debtors respond, and it gives the attorney a chance to talk over the claim with the debtor, which is of great value in handling the account. The letter follows:

Dear Sir:—

Please call at my office as I wish to see you on a matter of business.

Yours truly,

(Submitted by Amil F. Nerlinger, Attorney,  
Traverse City, Mich.)

The two letters herewith are part of a series used by an attorney who operates a collection department as a separate entity. It will be noted that the main point of both is the matter of suit, which is brought forcibly to the attention of the debtor.

In re. claim of.....for \$.....

Dear Sir:—

In further reference to the matter of your indebtedness of \$.....to..... and as a last resort before taking the necessary legal steps to enforce payment of this bill, we appeal to your self-interests.

Your failure to respond to any of our several communications, which we know you have received, leads inevitably to the conclusion that you have no defense or excuse to offer for your neglect to pay your debt.

We believe that a man of your intelligence appreciates the desirability of keeping his credit good, and that we need not point out to you the disadvantages of being rated as N. G., regarding your credit standing, in our reference works and reports which are circulated broadcast among wholesale and retail merchants.

Further, when the case goes to trial and our client wins the suit, court costs will be added to your bill, not to mention expenses of attorneys' fees and disbursements with which you will also be saddled.

Keep your credit good and save yourself further expense by a remittance by return mail.

Yours truly,

In re. claim of.....for \$.....

Dear Sir:—

Your time has been ours thus far, now our time

is to be yours. In other words we have indulged you about as far as we are going to.

It really matters little to us what method is employed to get the results, but we have proceeded along amicable lines believing you would appreciate the courtesy and respond by giving the matter prompt and satisfactory attention.

Your persistence in ignoring our requests, however, leads us to assume that you do not intend peaceably to make an adjustment, but if you do decide to pay the amount due, viz. \$. . . . . or a substantial installment on account as indicated in our previous letters, the same will be accepted on or before . . . . . otherwise we shall advise our client to commence suit.

Yours truly,

(Submitted by American Mercantile Agency,  
R. S. Rutherford, Attorney, New York City.)

Here are two first letters used by an attorney. These letters are distinctly notable on account of the offer to accept farm products, etc., in payment of the account. This, of course, would be found applicable in only certain rural section, where merchants make a practice of exchanging their goods for farm produce, which they, in turn, dispose of to resident or traveling purchasers for farm produce dealers.

Dear Sir:—

Your account owing to the Durango Mercantile Company, amounting to \$. . . . ., besides interest, has been placed with me for collection. Owing to hard times, this Company has not been pressing its accounts for a year past, but now the time has come when it must receive payment and I am instructed to use every means to make this decision effective.

Yours is long overdue, and I request that you see or write me at once and remit the money. If you have farm produce, meats, or like articles that the creditor can handle, and have not the money, I recommend you make a proposition at once for settlement that way. The point on which I lay emphasis being, that I am not able

to let the account drift upon any uncertain time for payment, and will look for a reply from you by return mail, or prompt appearance.

Awaiting, etc., and with best wishes,

Very respectfully,

Dear Sir:—

There has been placed in my hands for collection, an account owing by you to THE DURANGO MERCANTILE COMPANY, of Durango, Colo., in the amount of \$.....now long past due.

The unprecedented industrial and financial distress of the past year has taught its lessons of prudence and frugality on the one hand, and of forbearance and consideration in enforcing debts and accounts, on the other. In crises so grave, it is pleasing to note that the claims on fraternity and social regard have risen superior to those of the ledger and the account book, and men have stood shoulder to shoulder in mutual assistance.

But the time has arrived,—must arrive, when men must adjust their business relations, and in its total, maintain the indispensable equilibrium. Self-preservation now requires that some must ask payment of what is due. To this end, the above named gentlemen have employed the undersigned to take charge of their accounts, and to have settlements made as fast as it is practicable to effect same.

We therefore request, out of regard to the past forbearance shown you by the creditor, to come forward at once with a settlement; see or write the undersigned and make payment of your account;—if it is large enough to justify, the same may be divided into two payments.

If you have produce, farm products, beef or other material the creditor can use, but have not the money, do not delay, but come forward and take the matter up with me immediately.

Yours respectfully,

(Submitted by P. G. Ellis, Durango, Colo.)

Following is a short-form legal notice of suit:

Waterloo, Iowa, Nov. 12, 1912.

John Doe, Plaintiff,

vs. FORMAL NOTICE OF SUIT.

Richard Roe, Defendant.

You are hereby notified that Plaintiff has ordered suit to be commenced against you for claim of \$10.00. Unless the same is paid at this office on or before the 18th day of November, 1912, at 10 o'clock a. m., suit will be commenced against you before John Jones, Justice of the Peace in and for East Waterloo Twp., Black Hawk County, Iowa, to recover CLAIM, INTEREST, ATTORNEY FEES AND COSTS OF ACTION.

Shoes.....\$8.00

Interest.... 2.00

---

\$10.00

M. J. BUTTERFIELD,  
Attorney for Plaintiff.

(Submitted by M. J. Butterfield, Attorney,  
Waterloo, Iowa.)

This is a form used by another attorney. The body is based on the Final Notice of The American Collection Service, with some changes and additions.

Associate Office .....19....

State of.....

County of.....

.....Plaintiff, Amt., \$.....

..... Int., \$.....

.....Defendant, Cost, \$.....

..... Total, \$.....

..... Garnishee.

To the above named defendant:

1st. You will please take notice that the above named plaintiff claims that you are justly indebted in the sum of.....


..... Dollars.

2nd. That, although duly demanded, the sum has not been paid, or any part thereof, save and except the sum of.....Dollars.

3rd. Now therefore, unless you appear at our offices, .....in the City of .....County of .....on or before the.....day of.....A. D., 19...., at 10 o'clock in the forenoon of said day, and make payment of said claim or provision of adjustment thereof, suit will be forthwith brought for the sum of \$..... with interest thereon, together with the costs and disbursements of the action.

Dated..... this .....day of .....A. D., 19....

.....  
Attorneys for Plaintiff.  
.....  
.....

 No responsible man will allow, and a poor man cannot afford to have judgment and costs entered against him. The proper time to make a defense or settle an account is before the case gets to court. When once judgment is entered defenses are barred.

(Submitted by Ray Packer, Atty., Bellingham, Wash.)

This notice of garnishment proceedings is sent to the debtor in the form of a letter. The statement that it has been learned that a certain party, whose name is not given, owes him money, which will be garnisheed, should have quick effect. Holding back the name makes the debtor worry and adds a note of mystery that makes him particularly apprehensive.

Dear Sirs:

Statutory notice is hereby given of a writ of garnishment to be served in the above matter, and there will be issued a subpoena duces tecum to bring into court, the books of a certain party owing you (whose name we have learned) to de-

termine the state of your account with him,  
unless you prefer to make immediate settlement  
at this office.

Yours truly,



## Chapter XXXIII.

### Letters Based On Credits.

A considerable number of collection agencies are allied with reporting concerns, or have reporting departments. These agencies make a practice of incorporating in their letters the notice that the names of debtors who do not pay their honest obligations will be listed as undesirable credit customers. This form is very effective, as it is found that debtors who are impervious to suggestion or threats of suit are quickly brought to terms by the intimation that credit privileges will be withdrawn from them by local merchants.

This letter is along the lines of the above explanation, and is used as a fourth letter of the regular collection series:

**Dear Sir:—**

Appeals to your honesty in the matter of your indebtedness to ..... have been without effect.

Do you know that the non-payment of this small account will become a record against you; a black mark that can only be erased by the settlement of this account with us?

We are loath to injure anyone's credit, but for the protection of the merchants who are subscribers to the Credit Reporting Co., the Credit Men's Association of Newark, and our clients, we have agreed to report all persons who fail to pay their just obligations.

You may not need credit today, but next week you may need it badly, and then you'll find to your sorrow that credit is a delicate thing which can be very easily injured. Your better judgment should prompt you to pay this claim at

once, as our report goes forward on the .....  
inst.

Yours very truly,

(Submitted by The Case Mercantile Agency,  
Newark, N. J.)

The following letter is another good one:

Dear Sir:—

"Our Directory of Undesired Accounts" is now being compiled, and will soon go to press.

This directory is what the name suggests, in that it contains a brief history of accounts that are considered questionable, and which by the business man are thought undesirable.

Various business and professional men have access to this book, and are guided accordingly.

In going over the records of our several delinquents, we find an account against you, which for some reason remains unpaid. We believe you will agree that we have been exceedingly lenient, having given you every chance possible to take care of the matter.

As we do not want to do you an injustice and thinking that perhaps the account has not been taken care of by reason of some unavoidable circumstance, we wish to give you one more opportunity to set aright your attitude in the matter. In this way your account will not appear in our directory list—and we assure you we do not want to do an honest man injustice in any way.

Kindly let us hear from you immediately.

Yours respectfully,

(Submitted by the Wayne Mercantile Agency,  
Cleveland, Ohio.)

A collection agency which operates a regular reporting or rating department in connection uses this form of communication to debtors for the greater part of their follow-up, having found that it brings them the very best results. We note herewith their contribution of three letters. The first one follows two letters from the collection department, and is in the nature of a final notice from that department. It is signed by the

manager of the collection department. The second and third, which are shown herewith, are signed by the manager of the rating department. They are contributed by Mr. Arthur Orr of the Credit Guide Company of Iowa, Cedar Rapids, Iowa.

Dear Sir:—

The management of the rating department has requested me to furnish him a list of all parties against whom we have claims in our hands for collection which are unpaid. He is preparing to issue our regular report to the business and professional men of this city with reference to the credit standing of individual consumers, and the information which he asks me to furnish him will be used by him in making up that report.

Before certifying your name to our rating department, I am writing you to give you one more opportunity to call on us or on your creditor and settle the claim which we hold for collection. This must be attended to, however, within the next five days.

Very truly yours,

ARTHUR ORR,  
Mngr. Collecting Dept.

Dear Sir:—

I discovered your name this morning in the list of those who owe unpaid accounts.. Mr. Orr, the manager of our Collection Department, informs me that he has written you a number of letters regarding the claim which he holds for collection against you, to which you have paid no attention.

Will you please advise me by return mail whether this account is correct, and whether there is any good reason why you should not pay it?

I am just now going through our files and preparing the copy for the next issue of our rating book. I am making this special inquiry of you direct, because I wish to avoid any possibility of doing you an injustice in fixing your rating. In the making of these ratings, I am governed entirely, of course, by the manner in which each person actually meets his obligations, and I am

desirous of giving you just as favorable a rating as possible.

Will you not let me hear from you then, by this time next week, as the copy for the next rating book must go to the printer very soon?

Very truly Yours,

A. P. ATHERTON,  
Mngr. Rating Dept.

Dear Sir:—

I find, by reference to our files, that you have not answered my letter addressed to you some time ago with reference to your past due account which was placed with our Collection Department for collection.

Your failure to answer my courteous inquiry concerning this matter goes to show that the claim is a just one and that you are not inclined to give your creditor fair treatment in its settlement. However, I do not wish to be forced to the conclusion that this is so in your case. I would rather give you the benefit of the doubt and think that you must have overlooked the matter of replying to my letter.

I shall, therefore, expect to hear from you by return mail, advising me whether or not the claim is a just one and if you can make prompt settlement, so that I may feel justified in giving you the rating in our book that I should like to do.

Please let me hear from you at once, as the copy for the next rating book can be held back from the printer only a very few days longer.

Very truly yours,

A. P. ATHERTON,  
Mngr. Rating Department.

## Chapter XXXIV.

### Special Letters and Forms.

Under this heading we will present a considerable volume of material which requires special mention. The forms are used for special cases, or their composition is of such a nature as would take them out of the foregoing classified chapters. On account of the miscellaneous nature of this material, there will be no attempt at logical sequence.

The first notice is found valuable to send to debtors a day or two before payments are due.

#### NOTICE.

##### THE PAYMENT ON YOUR ACCOUNT

With .....

Will be Due.....

Kindly call at our office and make payment of the same between 8:00 A. M. and 6:00 P. M. or mail by P. O. or Express Money Order (or clean 1 and 2 cent stamps for small amounts).

**MAKE ALL ORDERS PAYABLE TO  
MERCANTILE PROTECTIVE ASSOCIATION,**

1029-1031 Stahlman Building,  
Nashville, Tenn.  
Phone Main 1418.

Here is a series of three cards, arranged in the order in which they are mailed, used by an agency with good results. The one entitled, "Have You Forgotten?" is quite a novel idea, and places the reminder before the debtor in a nice sugar-coated manner.

## Have You Forgotten?



Mr. Slowpay--"Where are you going?"

The Grocer--"To the post-office to kick about the poor delivery service."

Mr. Slowpay--"What's the matter?"

The Grocer--"Why that check you promised to mail me a week ago hasn't reached me yet."

---

THIS IS A REMINDER OF YOUR RECENT PROMISE  
LET US HEAR FROM YOU AT ONCE

---

**PEERLESS MERCANTILE AGENCY**  
**NORRISTOWN, PA.**

## **A REMINDER**

---

**YOU HAVE FAILED TO KEEP YOUR AGREEMENT.  
IT IS TO YOUR INTEREST TO DO SO AT ONCE.**

---

**PEERLESS MERCANTILE AGENCY  
NORRISTOWN, PA.**

## **IMPORTANT NOTICE**

---

**We are instructed to give you 48 hours to settle.  
Remember that you cannot pay with promises, so please  
bring your money.**

---

**PEERLESS MERCANTILE AGENCY  
NORRISTOWN, PA.**

Following are two good reminders used by an agency. The first is sent to the debtor after a letter which notifies him that he has failed to call at the office as per agreement with the agency.

## A REMINDER

---

**Y**OU have failed to keep faith with us regarding the payments on the account we hold against you.

The fact that we have notified you previously convinces us that this is **NO OVERSIGHT** on your part.

We are perfectly willing to assist you in settling this claim by accepting installments, but you must pay promptly on the day specified.

Kindly call **AT ONCE** with the amount due and save us both the annoyance and expense of further litigation.

Respectfully,

**MERCANTILE ADJUSTMENT CO.**

The second, as the contributor writes, is sent to debtors "who obstinately refuse payment and are just about ready for the 'drop' file. We find by experiment that out of twenty debtors followed this way after a period of ten weeks we landed three of them—a fair percentage considering the claims were hopeless."



**A GENTLE REMINDER**

**THAT** you haven't paid that **BILL** we have against you for collection.

Clear your conscience and credit by paying this honest debt **NOW** and save us further annoyance.



*Hermitile Adjustment Company of New Haven* POLL BUILDING

This letter, in reply to one from the debtor, requested a check dated one month ahead. This is a very good feature, and will be found successful in many cases, as many debtors will not deny a request for a dated ahead check. In connection with the remarks noted in the letter, it would be advisable to show the debtor that by the plan he is allowed extra time in which he should have no difficulty in arranging matters to meet the check, thereby taking up the account.

Dear Sir:—

We have yours of October 14th, stating you will pay the balance of the Jones account, \$31.60, as shown by the enclosed statement. This will be perfectly satisfactory to our clients, and we would suggest that you send us now your check dated Nov. 14, for the amount. This will show an honest intention on your part and we will be able to close the matter with our clients.

Trusting we will hear from you by return mail, we are,

Very truly,

Volunteer Credit & Adjustment Co.

(Submitted by C. B. Haag, Morristown, Tenn.)

The following series of letters used by an attorney during the month of December shows what practicable use may be made of seasonable appeals.

Dear Sir:—

Mr. .... has handed me an account against you for collection amounting to \$..... This is an opportune time to attend to such matters. This is the closing month of the year and we all wish to close the year right.

Christmas is coming and we all want to enjoy this festive season and we will all be happier if we can look the world squarely in the face and say, "I owe no man."

The approaching holiday season is a time when we all want to read our title clear, and we cannot do it with debts hanging over our heads. This is not a dun, but only a gentle reminder, and a hint as to how to be happy and make others happy. If you will kindly act promptly upon this suggestion everybody will be happy.

Sincerely yours,

Dear Sir:—

One week ago I mailed you a polite note stating I had an account against you for collection. I hope you found it correct. If there is any question please call at your earliest convenience and I will take up the matter with your creditor. Possibly it was not convenient for you to call as yet but I hope to hear from you during the present week.

Yours for a Merry Christmas,

Dear Sir:—

I have written you twice recently concerning the account I have against you for collection, but strange to say I have heard nothing from you. Suppose your creditor had treated you that way, what would you think of that? However, I will be charitable with you, and will conclude that you have been too busy or perhaps have been saving up the amount to bring me within a few days. I assure you it will be very welcome.

After settling this account you will feel better, you will feel easier in mind and that will make you feel better in body.

Confidently expecting to see or hear from you very soon, I am

Yours for a square deal,

Dear Sir:—

This is my fourth letter to you about that little business matter. You have disappointed me sorely. But Christmas is nearly here and maybe you are planning to surprise me on that day by calling and settling that account.

If so, you will make it a happy day for both of us. I shall expect to see you then, if not before.

Yours for a clear conscience on Christmas day,

Dear Sir:—

You have disappointed me all this month by not calling and settling the account I hold against you for collection, and your failure to settle by Christmas was a very great disappointment. Now the question is, will you disappoint me on New Year's Day? Will you begin the New Year owing this bill? I hope not,—I think not. I think that you are beginning to realize your duty in this matter. I am going to hope and believe that you will not begin the New Year with this just debt hanging over your head.

Yours for another trial,

(Submitted by F. M. Powers, Attorney,  
Streator, Ill.)

This form is used with good results where the debtor has moved and the agency is unable to get any trace of him. It is reported to bring an answer in most cases.

Dear Sir:—

Our representative has called at the number to which we are addressing our mail, and advises that you have removed; he states that diligent inquiry among your former neighbors indicate that you have left no new address. You will realize that the matter of tracing you and securing your new address is a simple one, and will merely cost us a little additional time, and cost you considerable additional expense.

We have no doubt that you will communicate with us at your earliest opportunity, giving us your new address and telling us when you will make a payment. We say we have no doubt

that you will do this, **BECAUSE** it is the only honorable thing to do.

Please do not understand that we think you are "hiding out" or trying to conceal your address. If we considered that you were in this class, known as "dead-beats," we would not take the trouble to write you this letter. We write to make a personal appeal to you as an honest debtor and anxious to pay your honest debts. Now, please let us hear from you.

Yours respectfully,

(Submitted by Stanley Mercantile Agency,  
Los Angeles, Cal.)

The following letter is used after the Final Notice form has been used without the expected result of payment, and where it is not advisable to bring suit but where it is thought that further dunning letters might secure a return. There are some localities, however, where debtors have been educated to the fact that the Final Notice means payment or suit, and in such cases the suggestions of the Final Notice should be adhered to strictly, as further letters would tend to weaken the effect.

Dear Sir:—

When we advised you by our Final Notice that our client had instructed us to immediately bring suit, we had intended to carry out his orders without any further notice to you; but when you promised us so faithfully that you would surely pay this **JUST DEBT** as soon as you possibly could, we thought it would be only fair as man to man to give you one more chance to demonstrate your honest intentions.

Now, then, what do you say? **WILL** you, or will you **NOT** pay? **WE MUST KNOW**, and that before five days. This is your chance and will you take it?

Please attend to the matter and advise us your exact circumstances as our client has insisted that we immediately collect this entire balance.

Yours respectfully,

(Submitted by The Stanley Mercantile Agency,  
Los Angeles, Cal.)

This scheme is very ingenious. The plan is to have the letter and slip that follows mailed to debtor from the capitol of the state in which the agency is located, arrangement having been made beforehand with some party to look after this work. This is extremely vigorous use of the intimation that all credit will be withdrawn.

**Mr. Merchant:—**

The creditor in the above claim on.....  
.....placed it in the hands of  
**THE HYDE MERCANTILE & REALTY COM-  
PANY** for collection, and it is still in their hands  
for adjustment.

Although repeated demand for payment has been made, debtor refuses to respond with the money. Deny all requests for credit in the future until you receive notice that a full settlement has been made.

When dealing with the above debtor hereafter, take into consideration the following facts: That he or she has received a copy of this report ten (10) days before his or her name is placed on the warning list, together with a **TEN-DAY NOTICE TO DEBTOR** attached. This gives him or her a last opportunity to make a settlement before any notice is sent you to deny all credit.

2nd. That if the above debtor had made any show of honest intention upon demand for payment, or had arranged to liquidate this debt in regular weekly or monthly payments, you would not have received this document. Be sure that it is placed in your file for reference.

Send to us all your over-due accounts as soon as possible, so we can place them in the hands of our local representatives throughout the country to determine their value. If the money is not paid to them within a reasonable time after demand is made, it will be reported, so you will get the protection you so much desire against **THE DEAD BEAT.**  
**COPY**

This is a confidential report from the secretary.  
**MERCHANTS PROTECTIVE ASSOCIATION  
OF NEW ENGLAND.**

Massachusetts Division.  
Date.....19

Note:—If the above debtor settles this debt within thirty days from the late date herein written, you will be notified of the fact so you can destroy this document. If you hear nothing, REFUSE EVERY REQUEST UNTIL FURTHER NOTICE.

### TEN DAY NOTICE TO DEBTOR

It is for your own best interest to mail not later  
than Date 19

A POST OFFICE MONEY ORDER TO

**BE HONEST!**  
**A GOOD CREDIT IS BETTER THAN RICHES!**

This is a very good letter to send after an account has been sued and judgment secured. Prompt payment of judgment will obviate further steps in the matter of execution of the same.

Dear Sir:—

We wish to advise you that on..... we obtained a judgment against you from..... to the amount of \$ , with interest and cost. If you wish to protect yourself from any further trouble or inconvenience in this matter it will pay you to get busy on receipt of this letter and call at our office with sufficient funds to remove this just obligation.

We also wish to advise you that unless you comply with the conditions of this letter we shall immediately take a transcript of this case and

record it in the prothonotary's office and proceed through the sheriff's office with an execution to recover the amount of this claim with interest and cost.

Give this your immediate attention as this will be your final notice.

Yours truly,

The following three letters were composed especially for work on a batch of sixteen small accounts of one to three years' standing from a medicine company. In reply to the first letter, eight debtors settled promptly. After the second, five others settled or asked for corrections in their accounts. Up to the time of going to press with this volume, it had not been possible to ascertain the results from the third letter. However, a record of thirteen out of sixteen is a very creditable showing on the use of two letters. It is difficult to see that these letters "have a thing," but the results reported merit a trial for anyone.

With statement of account the following request is sent:

The above account has been placed in our hands for collection. Believing you would prefer to pay it without extra cost the statement is sent that you may give it attention. Trusting it will be your pleasure to settle at once, we remain,  
Faithfully yours,

One week ago we sent for your consideration account of "A. B." As no reply has reached us, we ask that attention be given it at once to save added expense.

Yours, etc.,

Two notices of account of "A. B." have been sent you with request for payment, and as no reply has come, this will inform you the account will go to our Legal Department next Monday, if not settled before.

Yours, etc.,

(Submitted by The Chautauqua Mercantile  
Agency, Erie, Pa.)

A very strong appeal for payment on the basis of credit standing is used by the secretary of a grocers' and butchers' association. The user states that it has secured better results for him than any other form. He concedes that it is a harsh letter and admits that many recipients threaten suit, but they fail to do so and in nearly every instance pay their bills.

Dear Sir:—

Credit standing is a man's reputation for meeting his obligations with his creditors. No man can have a credit standing unless he pays his bills. Credit standing for the poor man is what cash is to the rich man. It enables him to get what he wants, when he wants it.

You had a credit standing that had an actual cash value. It alone enabled you to get \$..... worth of merchandise from.....

The account is now at our office. Will you call and pay it? You say you are that much ahead if you don't. No, you are not, you are that much and possibly ten times farther behind. Pay your credit standing, and enable yourself to get as much of him again. That is all that the cash would get.

Pay and you increase the value of your credit standing. You may want to buy of another merchant. You will refer to Mr..... and if he says that you pay, then you can get as much from the other merchants, your credit standing is upheld, and you can soon get without a dollar cash, as much from each of a dozen merchants. We can not, and would not deprive you of your credit standing, but let us remind you that you can get rid of it very quickly yourself, by not paying this and others of your honest debts. We believe this is an honest debt, it was so represented to us, and you have had several letters from us in regard to same, and we have had no denial from you of it being a dishonest one. No denial is practically an admission that it is an honest and just one.

See here! Do you intend to pay or not?

Or have you determined by your neglect to pay this account, to make it your first move towards destroying that credit standing which



has enabled you to get this stuff, when you hadn't a dollar in your pocket, when you needed it. Is this a fair deal to Mr..... that extended you this amount of credit?

We will expect an answer, or a remittance, in five days. If we have not heard from you in that time, we shall place same in the hands of the court and will ask for a judgment for \$..... and court costs, which will mean about \$6 extra expense to you, besides the annoyance, and your heretofore excellent credit standing will be practically gone forever.

Yours truly,

(Submitted by The El Paso County Retail Grocers' & Butchers, Association, Colorado Springs, Colo.)

This agency uses a series consisting of two letters, the second of which is of a final notice before suit intimation.

Dear Sir:—

(Name of Creditor) of So. Manchester, Conn., has an unpaid account against you amounting to \$..... and wants the money.

We have the account for collection and we have guaranteed to collect or institute legal proceedings. If you owe it, you without doubt want to pay or arrange for payment. Our means for collecting are most effectual and somewhat annoying, and we trust you will save us the necessity of pushing you, by forwarding to this office a check or post office order for the amount, on receipt of which we will return your bill receipted. No costs attached at present. Unless we hear from you in a few days you will hear from us.

Yours respectfully,

(Submitted by The Lewis Mercantile Agency, So. Manchester, Conn.)

Dear Sir:—

We wrote you some time ago in reference to a claim of \$..... which we hold against you for collection in favor of ..... of.....

It seems to us that your silence in reference to this matter evinces a disposition on your part to evade payment of this claim. If you think you can evade its payment, "you don't know us." We have taken this account for collection and have guaranteed to collect it. If you wish to save yourself the expense and inconvenience incidental to a law-suit, we would advise you to remit at once to this office a check for amount due, or arrange for payment. This is positively our last notice to you before taking the proper legal steps to collect this claim.

Yours respectfully,

This notice is sent to the debtor after a letter in answer to an "indefinite proposal." It is also used on instalment accounts, being mailed about three days before a payment falls due. The user states that the notice has brought in a good many thousand dollars.

## NOTICE!

THE PAYMENT ON YOUR ACCOUNT

With \_\_\_\_\_

Will be Due \_\_\_\_\_

NO NEED to write a letter. Place your remittance and this NOTICE in the enclosed addressed envelope and mail by post office order or registered letter or check TO-DAY. Bills of small denomination can be enclosed in envelope with very little risk of loss.

MAKE ALL ORDERS PAYABLE TO

**THE LEWIS MERCANTILE AGENCY**

SOUTH MANCHESTER, CONN.

Following are four letters used by an agency for special cases. The first brought full settlement after the debtor had been written three form letters of the agency's regular series. Their strength lies in the personal note included in each.

Dear Madam:

We have written you three letters regarding the claim against you amounting to \$..... placed with us for adjustment by ....., without having been honored by you with so much as a single word in reply.

We know nothing about this bill except that Mr. .... has placed it in our hands for adjustment, but your having ignored our letters would seem to indicate that you acknowledge the claim to be correct, at least we must assume that, in the absence of any word from you to the contrary. The fact that this is a balance of account (you having reduced the original amount by certain payments thereon) confirms us in the belief that you acknowledge this amount to be justly due your creditor.

This is a small claim, but it is of long standing, and certainly should receive your immediate attention. We don't want to place this in the hands of our attorney unless you force us to do so. Your sense of good business, we are sure, will prompt you to arrange immediately for settlement of this matter.

Yours respectfully,

This letter brought a check for the full amount of the account after four letters had been written.

Dear Sir:—

You are surely aware that there has been placed in our hands for adjustment, by ..... an account against you amounting to \$..... but you have made no arrangement for taking care of it although your business manager, Mr. ...., has assured us that our letters regarding the matter have been referred to you.

We have endeavored to place this matter before you in a courteous and businesslike manner, and feel that you should give it businesslike attention, and that you should at least advise us your reason for not adjusting this obligation.

Taking into consideration that you are a busy man, we desire to afford you full opportunity to amicably adjust this account, but feel that ample time has been allowed for explanation of your failure to attend to it, and would request you to

advise us immediately upon receipt of this letter if there is any valid reason for not settling this obligation, and if not, when we may expect your remittance to cover the amount.

We enclose a stamped addressed envelope for your reply.

Yours respectfully,

The claim represented by the following letter would have been outlawed in a very few days. The debtor was located in a southern state. The amount of the account was nearly \$100. The letter brought a first payment and the balance was taken care of in regular monthly instalments.

Dear Sir:—

Referring to your letter of ..... relative to adjustment of Mr. .... claim, amounting to \$....., we note that you advised that you would try to send a payment the last of November or the first of December. We are therefore surprised that we have not heard further from you.

We presume, however, that you found it impossible to send the payment. From your letter we realize the difficulty for you to spare the money necessary to adjust this matter even by instalments, but we assure you that we are willing to arrange for regular weekly or monthly payments in such amounts as will be easy of accomplishment by you.

Will you not therefore let us hear from you again at once, sending with your letter your first payment, of such amount as you feel sure you can agree to send at regular intervals, say weekly, or monthly as best suits your convenience, only please be sure to state the intervals, and the amount you will pay on these stated intervals.

Having intimated your desire to adjust this claim, it will undoubtedly be a relief to you to start the adjustment in this manner, and to know that by making such regular, small remittances, the matter will in a comparatively short time be entirely adjusted without entailing on you any great hardship.

Let us hear from you by return post.

Yours respectfully,

Dear Sir:—

Our client ..... informs us that you called on him since we wrote you, and that you promised to resume payment on your account during the week following your call.

Two weeks have passed since you made this promise, and he informs us that he has heard nothing further from you.

Mr. ...., do you want us to bring this matter to the attention of your employer? We don't want to do that, and know you don't want us to. Then it is up to you to redeem your promise.

We have given you every chance to do the right thing in this matter, and now you must give us something more substantial than verbal promises. We want you to make a liberal payment on this account during the coming week, and we want to know what arrangement you will make for settlement of the balance. Enclosed is one of our installment notes, partially filled out, which we request you to complete by filling in that part which we have left blank, naming the amount you will pay this coming week, and every week following, until paid in full. Sign it, and send or bring it to us not later than.....

Now, Mr. ...., you are capable of reasoning things out on a common-sense basis, why not apply common-sense reasoning to this matter?

Trusting that you will recognize that it will be to your interest to attend to adjustment of this obligation without further delay, we remain,

Yours respectfully,

(Submitted by J. R. Whitten Mercantile Agency,  
West Haven, Conn.)

The following letter is used by a Toronto agency and is especially applicable to Canadian customs and conditions.

Dear Sir:—

You must acknowledge that we have been fair in our dealings with you in reference to the amount owing to ..... What has been the result? We trust that other measures

need not be taken in order to secure a settlement of this claim.

What would be the consequences if some things which you would rather not have known by the public, should be revealed, during a close cross-examination, as the result of a judgment summons?

We will grant you one more week to arrange a settlement of this claim, and trust that it will not be necessary to resort to other methods or place you in any position which might be extremely unpleasant or embarrassing in the highest degree to you.

We will expect a settlement inside of the next seven days. A word to the wise is sufficient.

Yours truly,

(Submitted by Purvis Mercantile Agency,  
Toronto, Ont.)

Nine short letters which form part of the mail system of an agency. They are used in special instances, as their contents will quickly explain.

Dear Sir:—

The check you intended to send us in payment of claim in our hands for collection against you from . . . . ., has not arrived—no doubt forgotten.

Not a serious oversight, of course, but for the sake of "labor saving" in handling hundreds of these small accounts, PROMPTNESS in remitting is GREATLY appreciated.

Don't bother to write a letter—we understand perfectly how such oversights occur—just pin your check or currency to this letter and mail it back to us.

An addressed envelope is enclosed for your convenience. Thank you!

Yours respectfully,

Dear Sir:—

You may have a weakness which causes you to hang onto our client's money, but there is no excuse for your being discourteous. The latter is just plain meanness.

If it is not convenient for you to send us a remittance, at this time, it would appear reasonable that you write and explain the matter.

Yours respectfully,

Dear Sir:—

We wish to express to you our deepest sympathy in your trouble. We suppose there are a few fortunate people who go through life without getting "up against it," but your creditor, not ourselves, is one of those, and therefore we can fully appreciate your unfortunate situation.

There are many kinds of trouble, but it would be hard to imagine anything much worse than inability to pay a dental bill of \$5.

Yours respectfully,

Dear Sir:—

We have gone over the matter of your neglect pretty thoroughly in the last month, but do not seem to have had any results. We will permit the matter to remain open until....., at which time, if not paid, we will hand the account to our attorney with instructions to proceed at once to enforce settlement. We presume that you will not object to this action; otherwise you would have given us the ordinary business courtesy that is due us. If we put you to this unnecessary expense and annoyance, we, at least, shall feel that we gave you ample time to have avoided it.

Yours respectfully,

Dear Sir:—

We have been carrying your account, \$....., owing Mr. ...., for a long time, and we desire to hear from you promptly, or otherwise we shall hand it to our attorney for collection. We cannot believe that an amount like this could embarrass anyone situated as you are. But be that as it may, we are not going to write about it any more. We must hear from you positively by the 16th inst.

Yours respectfully,

Dear Sir:—

We have written you several letters regarding account in our hands for collection against you from Dr. ...., and are surprised that you have sent us no reply at all. We should have had an answer to our letter of 18th inst., at which time we went over the situation very frankly with you.

We should hesitate to consider persuasion on other lines, but must have a reply between this and ....., and we trust that you will give the matter your attention. Amount due is \$.....; it has been pending for a long time, and should be taken care of.

Yours respectfully,

Dear Sir:—

After crediting your account with payment of ..... amounting to \$....., there remains a balance owing of \$.....

At the time you remitted, you promised to let us hear from you again the next week, in full, but we have not heard from you since. We are quite disappointed that you did not let us have anticipated payment, but hope on receipt of this letter you will do so, as least, for one-half what is due. We are not insisting upon your remitting all of it, because it does sometimes happen that it is not convenient to do this, but act upon our suggestion and let us have your check for one-half.

Yours respectfully,

Dear Sir:—

We have not heard from you in answer to our recent letters. Please let us have a reply as to what you are going to do in the matter. We have told you that if you cannot remit in full, remit in part, but give us something on which to base the accommodation you seem to require.

Let us hear from you promptly, and oblige.

Yours respectfully,

Dear Sir:—

We are at a loss to understand why we have had no response to the several letters we have written you regarding your account. It has been



our endeavor to accord you every consideration and yet impress you with the importance of attending to your account. You must appreciate the fact that neglect of this bill and your failure to make any satisfactory explanation will inevitably reflect adversely upon your credit.

Will you not give this matter your immediate attention, sending us a remittance that will cover at least part of the account, if you are unable to make the entire payment at this time?

Expecting to hear from you promptly, we remain,

Yours respectfully,

(Submitted by Industrial Adjustment Service,  
Philadelphia, Pa.)


This letter is used by an agency with good returns. It has no definite numerical place in their system, but is used where considered expedient.

Dear Sir:—

We notified you some days since of an account placed with us for collection, as per statement below. Are you doing right in withholding payment and offering no excuse for so doing? Placing yourself in the position of your creditor, would you consider that you were being justly treated? The claim is for that which you have had value received and is, therefore, a just one in every sense of the word. Unless you show a disposition to pay the amount at once or arrange to do so at an early date, we will be compelled to carry out the contract with our clients and place claim in the hands of our attorneys, with instructions to collect with costs. The people we represent are anxious we should do so at once, but as your case may be entitled to further consideration, we delay proceedings a few days to enable you to settle without incurring additional expense, as will be the case should your account be given our attorneys for attention. We trust you will give this account immediate consideration.

Remit by draft, express or money order only, payable to the MERCANTILE ADJUSTMENT CO.

Dictated.

 All remittances and correspondence pertaining to this account must be addressed to THE MERCANTILE ADJUSTMENT CO. to secure proper credit and attention.

## STATEMENT.

M.....  
 .....  
 .....

Debtor to

Amount, \$.....

(Submitted by Mercantile Adjustment Co.,  
 Pittsburgh, Pa.)

Two of the most effective letters used by a justice of the peace in making collections.

Dear Sir:—

We have in our hands a small account amounting to the sum of \$10.00 in favor of John Smith.

Please call at once and advise us whether the amount is correct or not, and if correct, whether it is your intention to make payment, and how and when you can do so.

Owing to the large number of matters of this nature in our hands, we desire information from you at once in the matter in order that it may not be placed upon the list of those requiring suit, should you be disposed to avoid litigation. We shall otherwise be unable to determine the course you prefer, and shall be forced to conclude that suit is necessary.

Relying upon receiving advice promptly, we remain,

Yours most truly,

(Submitted by M. F. Roebling, Cincinnati, Ohio.)

Dear Sir:—

Some days ago we wrote to you regarding a small account for \$10.00 in favor of John Smith.

Now we write to you again, thinking that our first letter miscarried, and ask that you kindly call

at our office at once or advise us as to what you propose to do with same.

We have a large number of claims of this nature in our hands requiring suit, your name being on this list, and as this is our last formal letter to you before the institution of such legal proceedings as may be desired, we require immediate answer if you are disposed to avoid the annoyance of possible litigation.

Awaiting your reply, which will determine whether you prefer legal measures taken or not, to collect this small matter, we remain,

Yours truly,

One agency uses a form which, on account of the plain legal nature and imperative language, has been found productive of good results.

Suit Notice

### Praeipice

Before

Justice of the Peace

.....		
.....		
.....		
Plaintiff.		Demand \$.....
vs.		Issue summons return-
.....		able on the..... day
.....		of ..... 19....
.....		at..... o'clock A. m.
.....		
Defendant.		

and deliver the same to constable.....

Defendant .....at .....

Credit plaintiff..... with \$.....  
advance costs.

---

Summons will issue in this case on the.....  
day of....., 19...., if not paid at this  
office at once. Pay now and save cost and annoy-  
ance.

This letter has been found especially good for quick returns on bad accounts that have been followed hard by the creditor before being turned over to the agency. It has also brought good results on out-of-town claims in small places.

Dear Sir:—

We have been ordered to file a complaint in the Justice Court, and have you summoned to appear or have judgment rendered by default.

We are first writing you to give you a fair chance to pay your bill before court costs and attorney's fees are added.

We advise you to call and settle or remit by return mail as we can withhold action till that time only.

(Submitted by Western Credit Association, Salt Lake City, Utah.)

Seven letters from an agency's mail system are noted herewith. The first is a reply to a letter from the debtor in which he makes an indefinite proposal regarding payment.

Dear Sir:—

Your letter has been received, and has our careful consideration.

Of course it disappoints both Mr. .... and us to learn by your letter that you cannot possibly pay the entire account just at this time, as he long ago paid for the material, and consumed a great deal of time in doing the work, or the goods you bought, and had to pay his clerks to help serve you, and ought to have had the money long before this. And it was understood that payment was to be made promptly or within a reasonable time.

But we believe (judging from the tone of your letter) that you are just as anxious to liquidate this debt as we are to have you do so, and so it is a pleasure for us to advise that we shall allow you a short time longer to arrange your payments.

Of course, you understand, this is not customary, and it is only because we have unusual con-

fidence in you that we allow you extra time to pay the account. Will you please send at least a partial remittance as soon as possible, and then the balance as you can, either in weekly or monthly instalments if not a complete settlement?

We shall count on you to do this, and shall look forward to your reply not later than ten days from this date. Try to pay at least something by that time.

Thanking you for your prompt and courteous attention in the matter, we remain,

Yours respectfully,

This letter follows the one noted above.

Dear Sir:—

We were greatly disappointed in not receiving a reply to our recent courteous letter in reference to your account with .....

We appreciate the interest you have so far manifested, but we really believe the fairest, and only honest thing for you to do is to make some definite arrangement for settling this debt. You have already stated that you cannot pay the entire amount just at this time, but we thought you would make an effort to pay at least part of the bill by now.

We receive many "hard-luck stories" from people. Some have a little self-respect, and do not want to be continually bothered by us about an honest debt which they never intend to pay. They think a nice little excuse will probably make us drop the matter.

Others really cannot pay a lump sum at once, for one reason or another, but would honestly and sincerely like to liquidate their just debt. These generally arrange to pay in regular weekly or monthly instalments.

We thought you were most likely the latter kind, and did not fully understand that settlement may be effected with us on those terms.

Although we want to treat you with all due courtesy, we must insist upon at least a partial payment on this account. We want to treat you as a friend, and would much prefer a quiet, amicable settlement, so that no one knows anything about the matter but you, your creditor, and us.

Won't you make a start on this bill this week.  
We will wait a few more days before proceeding  
further.

Yours respectfully,

This is particularly for a debtor from whom the agency has heard in some way, by letter or in person. It might also be used for other purposes.

Dear Sir:—

Waiting, are you?

Well, what are you waiting for?

Considering the way you have acted in this matter, you have a right to expect us to do almost any unusual thing to collect your account (of \$....., with .....).

You may be assured that since we have spent so much of our time, trouble, postage, etc., on this matter, we are not going to let it drop. And our reputation for persistence is well known among all the business men in this vicinity, as well as among the "beats."

We want to give everybody a "square deal." However, it is our duty to collect every account placed with us, no matter how much it costs to make the collection, or how good a personal friend the debtor may be. We work on the principle that bills are made to be paid—not repudiated.

Why shouldn't you try to reciprocate, in some way, the favor of the extension of this credit? Is it right that you should be using this money instead of the one to whom it really belongs? And is it right that this money should be standing "dead" on our client's books, when it ought to be in his bank account? Certainly not!

We feel sure that you will not let this matter drag any longer, and that you will let us have remittance at once.

Thank you! We expected it.

Yours respectfully,

Written to a debtor who fails to keep up regular payments.

Dear Sir:—

Your failure to reply to our recent letter, asking you kindly to make your regular payment on the.....account, now past due, has led us to believe that you are intentionally evading payment.

For this reason we must advise you that unless your remittance, or a very satisfactory explanation is received **THIS WEEK**, we will have to adopt more stringent measures to secure the collection of the account.

We believe you are the kind of person who will avoid trouble when it can be easily avoided, and we hope that you will stop us from taking any legal procedure by sending your past due remittance by return mail.

We have tried to be most fair and reasonable in this matter, but must insist upon some definite action on your part.

Thanking you for past favors, we remain,  
Yours respectfully,

This is especially for wage-earners.

Dear Sir:—

Unless some definite arrangement is made at once for the satisfactory settlement of your account with.....we shall be required to handle this claim through our **WAGE EARNERS** Department. The steps we would then be forced to take would probably cause you some embarrassment.

We have no desire whatever to be mean or discourteous about this matter, but it is our duty to collect the account for our client, and it is now "up to you" to take some steps toward settlement within the next few days. Our advice to you is that it would be far better for you to make arrangements now, than to wait for trouble, and possibly added expense.

Surely you have no desire that your employer hear about this matter. We don't want to tell him, either; but it all rests with you. When your wages are attached, there is danger of losing your job. Most employers will not stand for a garnishee, but quickly "fire" a man who will not pay his debts without having his wages tied up.

If you are the sensible man we think you are, we believe you will at once see the wisdom of making a voluntary settlement of this account. Let us hear from you immediately.

\* Yours respectfully,

This is a good diplomatic notice that harsher measures will be used by the agency if prompt settlement is not forthcoming as a result of the courteous treatment that has been accorded debtor by the agency.

Dear Sir:—

We have repeatedly written you concerning your account (now long past due), in favor of

.....  
Our failure to gain your attention suggests that you are "up against it." Whether this is your own fault, or somebody else's, we sincerely sympathize with you, as we know how hard it is to catch up when you once get back with your bills.

Yes, every cent counts nowadays, but you can surely scrape up two cents to buy a stamp to write to us if you are not in a position to call and explain personally.

It is our duty to collect this bill, Mr..... but we have no desire to distress any poor, honest person. We believe in the Golden Rule, and we want to treat you with all possible courtesy and consideration. We don't want to be at all mean about it, but you must do your part.

We are still treating you with all the courtesy that is due an honest person. Do you think your continued silence justifies such treatment? Experience has shown us that more can be accomplished through courtesy, than by any other method, but you do not seem to appreciate it.

Now please show common business courtesy, and let us hear from you at once. Square up "like a man" if you have the money; if not, tell us so.

Yours respectfully,

P. S.—You may consider this a fair notice that, if you fail to respond to this letter, we will use all legitimate means known to us to secure a settlement of this debt. But we feel certain you will do the right thing this time, and will look for some word from you tomorrow.



This letter is sent out after the one shown above.

Dear Sir:—

In view of the fact that you will not remit to cover the amount of your obligation to..... and will not answer our letters, we naturally conclude that it is your intention, if possible, to evade payment of this debt.

Do not think that you are beyond the reach of the law, and can avoid or evade payment, because the laws are such nowadays, that it costs more to try to beat a creditor out of certain honest claims, than to pay the claim. If we find it necessary to take this matter to court, it will, of course, add considerable costs to your bill, together with very unwelcome publicity.

Do not, therefore, blame us if we are forced to put you to considerable trouble. We have already written to you often enough to have had some sort of a reply from you, but still we do not desire to act without giving you a due appreciation of the seriousness of the matter. We believe that if you fully understood what this claim would cost, you would immediately settle, thus avoiding the consequences.

Whatever happens, therefore, this letter is to be taken as documentary evidence that you were fully informed of our intention to proceed in the matter, and that you were placed in possession of full information as to the steps about to be taken to enforce settlement. We hold an exact copy of this letter, to be produced as said evidence.

Yours respectfully,

Submitted by Peerless Mercantile Agency, Morristown, Pa.

This is a second letter, sent out when no attention is received from the first, giving definite notice that suit will be instituted on a certain date. This form is used in the collection of newspaper accounts.

Dear Sir:—

Having had no response to our former communication concerning the account you owe The Evening Blade, which was placed in our hands

for collection, we are obliged to believe that you intend to evade, if possible, the payment of a just claim against you. We, therefore, notify you that, unless the account is settled within ten (10) days from this date, we shall be compelled to institute proceedings at law for the collection of it.

All communications and remittances should be sent direct to The Evening Blade, Publisher, 150 Fifth avenue.

Very respectfully yours,

Following are six special forms and letters, used and sold by the Beacon Adjustment Co., of Springfield, Mass., and reproduced herewith through their courtesy.

The first is a small card, 3x4 $\frac{5}{8}$ , printed in black on green paper. The agency states that its use has brought in a great many delinquents when all other forms failed and when repeated promises had been the only results secured. To show their strong effect, the instance is cited where approximately 200 were mailed out by mistake to a list of debtors who had been paying regularly. Within 48 hours they had brought in over \$93.00. With these payments a number of protests were received from people who had been paying regularly, so it would hardly be good policy to use the card excepting as a last resort.

**Q** We are instructed to give you 48 hours to settle that bill. Remember that you cannot pay it with promises, so please bring your money.

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**BEACON ADJUSTMENT COMPANY**

The report blank which follows is a new idea. It is made out similar to the ordinary report that the agency sends to clients regularly. It is filled out as if going to the client. Then an envelope is addressed to the debtor and the report mailed to him. It gives him the impression that the envelope was addressed through a clerical error and that this report is a notice to his creditor that the agency is about ready to bring suit. The results have been surprising.

**BEACON ADJUSTMENT COMPANY**

Court Square Theatre Building  
Springfield, Massachusetts

31 Elm Street

Telephone 2414 or 387

---

We have to report as follows regarding your claim against.....

Since the receipt of the above we have persistently dunned debtor. We believe the claim can be collected and have, therefore, placed it with our local attorney with instructions to bring immediate suit, if, on investigation, he finds that debtor is good on execution.

Accept no payments and refer all promises of settlement to this office.

Morin/PL

**BEACON ADJUSTMENT COMPANY.**

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If this report calls for a reply, please do not delay, but immediately supply us with the information requested. It is all to your interest.

The following letter is a reply to debtors when they write promising to pay on a certain date.

Dear Sir:—

We have just received your letter telling us when to expect the payment of your account, and greatly appreciate your honorable conduct in this matter.

The tone of your letter convinces us that you are honest; that you take an interest in paying your just debts, and we feel confident that you will send the money as promised.

Thanking you for your courteous attention and awaiting your remittance, we are,

Yours very truly,

BEACON ADJUSTMENT COMPANY.

GAM/AE

**NOTICE.** All payments must be made direct to this office, as power to stop proceedings is entirely in our hands. If made to creditor delay in advising us results in further annoyance to you. If received here you are assured of a receipt immediately and no further dunning.

The telegram is a new device that has been used very successfully on desperate cases. It is necessary to exercise care in having the addresses of debtors to whom it is sent absolutely correct, as otherwise the charge would be made against the agency. By placing after the name of the addressee the words, "To be delivered personally," the telegram is not telephoned as it would ordinarily be if he had a telephone, and with few exceptions are delivered and paid for at the other end. This record shows that these telegrams have cost the agency an average of 14 cents, and have brought in returns of approximately \$2.00 each.

Our instructions are to act within 48 hours if your account is not paid. Remit at once to save further costs.

BEACON ADJUSTMENT COMPANY.

The following notice to the employer is printed on a card  $3\frac{1}{2} \times 5\frac{7}{8}$ . This form accompanies a draft, and has been used successfully.

## TO THE EMPLOYER

*A good collector does more to get people out of debt than anybody else.*

**WE** ASK your co-operation in settling the bill we have against your employee, by presenting our draft and suggesting to debtor that a settlement be arranged. We use this method to save the employer the trouble of a possible trustee and the debtor the costs of such action.

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BOSTON BEACON ADJUSTMENT COMPANY SPRINGFIELD

This letter is mailed to a wage-earner who has neglected the balance on a bill, after having made some payments. The basis of the letter is an urgent appeal to the debtor's caution.

Dear Sir:—

You have made some payments on the account we hold against you; in fact you have paid a good part of it. You do not seem to realize, however, that it would have been as well for you not to pay at all, for if you now compel us to sue you for this balance, what you have already paid will be applied to the costs of the action and you will then have to pay the claim all over again.

We do not want to trustee your wages until the last minute, but the outcome is left with you. If you have a good reason for stopping your payments, we want to take it into consideration and be fair with you.

Remember though, that that bill has to be paid. You can settle now without further trouble or wait till you have to pay it, and pay at the same time the costs of trustee, not only in cash, but perhaps by losing a good job. Can't you understand that you are only hurting yourself by refusing to settle?

We shall expect your immediate attention.

Yours very truly,

BEACON ADJUSTMENT COMPANY.

GAM/BG

**A Standard Book on Advertising by the Author of Collecting by Letter.**

## **Analytical Advertising**

**W. A. Shryer**

This is the first book on advertising that gives actual facts and results from successful advertising. Where the average book on this subject deals in generalities this book quotes actual figures. Actual tests, giving the names of mediums, the space used, the cost, returns and actual profit and losses are outlined in specific detail. A line on over 350 publications is given, by showing what these mediums developed for Mr. Shryer's own advertising, as well as eight other national advertising campaigns.

The first eight chapters deal with the mental principles that govern successful advertising, and a complete table of contents will indicate the scope and completeness of the text, as follows:

Sensation.

Attention and Attention Values.

Association.

Suggestion.

Reason.

Instinct and Habit.

The Emotions.

Imagination.

Cumulative Value.

Advertising Record Keeping.

Records of Consecutive Advertising.

More Records of Consecutive Showings.

An Exceptional Business and Its Records.

A Women's Proposition.

A Two-Inch Copy Record.

An Art School Exhibit.

A Four Year's Record.  
Relative Values of Small and Large Copy.  
Record of a Most Profitable Medium.  
A Small But Consistent Puller.  
Advertising a City.  
Waste in General Publicity.

There is food for thought on every page for the advertiser who would substitute efficiency for rule of thumb. This book is exceptional in that it gives the actual experience of successful advertisers. It is mentioned in every preferred list that has been published since the book appeared, and is highly recommended by such authorities as Harrington Emerson, Professor Scott, Tom Dockrell, George French, A. W. Shaw, and many others.

It is the one book without which no advertiser, actual or prospective, can afford to be. 228 pages, freely illustrated, bound in cloth, with gold lettering and printed on the finest of heavy book paper.

Price, prepaid, \$3.00.

**Business Service Corporation**

**350 King Bldg.**

**Detroit, Mich.**

# An Unplowed Field

**The Surface has Hardly been Scratched**

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Tremendous sums are lost to merchants and manufacturers every year through bad accounts.

Anyone who can redeem these accounts from the loss side of the ledger will have more business than he can handle. We will teach you how to do it.

We teach the business of collecting bad accounts, giving you the same system that we employ in our own successful collection business.

It is a lucrative business—easy to learn—with little competition, and requires no capital, but integrity.

Every dollar collected for your customers adds to your bank account and your business standing.

Why fritter away the best years of your life in uncongenial service of others? Why not build up a profitable business of your own where you are master of your own time and reap the reward of your own exertions?

Our first lessons will enable you to start a collection business, the full course gives you complete mastery of it. We help you at the very outset by referring customers to you.

Now is the time to declare your independence. Every day spent in your present drudgery makes it harder for you to get out of the rut. Do not delay. Write today for "Pointers on the Collection Business," FREE.

**Americam Collection Service**

542 State Street,

- -

Detroit, Mich.







KF 1024 S56

Author	Vol.
Shryer, William A	
Title	Copy
Collecting by letter	
Date	Borrower's Name

